



Skills Funding  
Agency

# Funding Rules 2015 to 2016

## Version 1

This document sets out the rules for funding including the evidence required to support funding for the year 2015 to 2016. These rules will apply from 1 August 2015.

February 2015

Of interest to providers and employers

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## Introduction and purpose of the document

This document sets out the funding rules for the 2015 to 2016 funding year, referred to in this document as 2015 to 2016. The rules apply to all providers of education and training who receive funding from the Chief Executive of Skills Funding. The Chief Executive of Skills Funding (the Chief Executive) is a statutory post established by the Apprenticeships, Skills, Children and Learning (ASCL) Act 2009 and is the legal entity (the organisation legally entitled to enter into contracts) which enters into funding agreements with providers of education and training.

Providers who are delivering training and assessment for the new Trailblazer apprenticeship standards should refer to the separate Trailblazer apprenticeship funding rules which they can access on [our website](#).

The funding rules form part of the terms and conditions of funding and providers should read these with the following, where applicable.

- Financial memorandum.
- Conditions of funding (grant).
- Contract for services.
- Conditions of funding (grant) – employer.
- 24+ Advanced Learning Loans facility conditions.
- Operational Performance Management Rules 2015 to 2016.
- The Individualised Learner Record (ILR) Specification 2015 to 2016.

The rules in this document set out the requirements which you must comply with to make sure public funding is protected. You must operate within the terms and conditions of the funding agreement, the funding rules, the performance management rules and the ILR Specification. If you break these funding rules you are in breach of (have broken) the funding agreement with the Chief Executive and we will take action as set out in the funding agreement.

The Chief Executive of Skills Funding may make changes to these rules but our aim is to publish the rules once a year and to avoid making changes during the year (if possible). We will publish any changes on our website.

## Understanding the terminology

The terms 'we' and 'Skills Funding Agency' refer to the Chief Executive of Skills Funding and his staff.

When we refer to 'you' or 'providers', this includes colleges, training organisations, local authorities and employers who receive funding from us, or through a Loans facility, to deliver education and training. We will use the

individual type of provider if the requirements apply only to that specific type of provider.

We use the term ‘funding agreement’ to include the:

- financial memorandum
- conditions of funding (grant)
- contract for services
- conditions of funding (grant) – employer, and
- the 24+ Advanced Learning Loans facility conditions

We use the terms ‘learner’ and ‘apprentice’ to cover all those who receive education or training we have funded, either directly from the Chief Executive or through a Loan.

## **How this document can help you**

This document is divided into sections containing the funding rules. Each section may include:

- the context of the rule in a box
- the rule itself in a numbered paragraph
- evidence requirements at the end of each section

We have included a glossary to explain technical terms.

## **Contacting our Central Delivery Service (CDS)**

In this document there are a number of references to contacting our Central Delivery Service (CDS). To do this you can email the CDS Service Desk [servicedesk@sfa.bis.gov.uk](mailto:servicedesk@sfa.bis.gov.uk) or telephone 0370 2670001.

# Contracting and subcontracting

## Entering the Register of Training Organisations (the Register)

1. We will only fund organisations that have a current funding agreement with the Chief Executive of Skills Funding either:
  - 1.1. as a single legal entity (college, private or public organisation), or
  - 1.2. with other legal entities (for example a consortium) on a joint and several basis (this means the contract can be enforced against all or one of the legal entities)
2. All lead providers and subcontractors must register on the UK Register of Learning Providers (UKRLP) and hold a valid UK Provider Reference Number (UKPRN) to be eligible to receive funding from us, either directly or through a subcontracting arrangement.
3. If you want to be considered for a contract from the Chief Executive, and be invited to tender in the future for education and training services, you must enter the Register by successfully completing the Due Diligence Assurance Gateway (the Gateway). You can find details of this on our [website](#).
4. Only organisations listed on the Register will be invited to compete in tendering opportunities to receive funding or a Loans facility.
5. Large employers who receive direct grant funding from us must be entered on the Register. If you are a large employer wanting to deliver training to your own employees, please contact the Large Companies Unit for advice as different arrangements apply.
6. Entry on the Register does not guarantee you will receive a contract. We will invite you to compete in tendering opportunities based on the type of delivery you select in the Gateway online questionnaire, and in line with demand and government policy.
7. In making an application to the Register, you must make sure that your organisation name is the legal name of the organisation and exactly matches the organisation's name as it appears on the UKRLP, your funding agreement, (if relevant) Companies House information ( your company number if this applies), the e-tendering portal (Bravo) and all other supporting documents. If you fail to do this we may reject your application if we are unable to correctly identify your organisation.



## Staying on the Register

8. To continue to be listed on the Register you and any subcontractors listed on the Register must successfully complete the Register Refresh and update your information when we ask you to. If you fail, or do not update when asked, you must apply at the next opening of the Gateway. During this period you and any relevant subcontractors:
  - 8.1. will not be listed on the Register
  - 8.2. will not be invited to tender, and
  - 8.3. will not be able to increase contract value through growth cases
9. If your organisation does not apply at the next opening of the Gateway, or you fail the application process, we will review your funding arrangements.
10. We will not agree any request for an increase in funding where you intend to increase the value of a subcontract with a subcontractor who has failed to refresh their information. If the subcontractor's application fails the Gateway the lead provider must end their subcontract.
11. If you give false information when completing the Gateway, we will remove you from the Register.
12. If you are the subject of our [Intervention Policy](#), we will not invite you to tender or consider you for an increase in funding. We may remove or suspend you from the Register and we will review your funding arrangements.
13. You do not have the right to transfer your contract to another organisation. If you do not want to continue delivering education and training you must inform us and we will then take a decision on the transfer of the provision.

## Subcontracting

A subcontractor is a legal entity that has an agreement with you to deliver education and training funded by us.

These funding rules are intended to minimise the risks to public funding associated with subcontracting.

The Common Accord and Supply Chain Management: a good practice guide for the post-16 sector were produced to support providers in their supply chain management. We highly recommend that you routinely refer to these two documents during all stages of the contracting process. You can find them on the association of employment and learning providers (AELP) [website](#).

14. Your governing body / board of directors and your accounting officer must be satisfied that all subcontracting you undertake meets your strategic aims and enhances the quality of your offer to learners. You must not subcontract to meet short-term funding objectives.
15. You must only use subcontractors if you have the appropriate knowledge, skills and experience within your organisation to successfully procure, contract with and manage those subcontractors.
16. You must only use subcontractors who your governing body / board of directors and your accounting officer determine are of a high quality and low risk.
17. We reserve the right to move subcontractors into a direct contractual relationship.
18. You are responsible for all the actions of your subcontractors connected to or arising out of the delivery of the services which you subcontract.
19. We can, at any time, assess your arrangements for subcontracting. We can also require you to commission an independent report on these arrangements from a third party, such as your external auditors.

## Selection and procurement

20. If you have not previously subcontracted provision we fund, you must get our approval in writing before awarding a contract to a subcontractor. You can find details on our [website](#).

21. When appointing subcontractors you must avoid conflicts of interest and you should:
  - 21.1. tell the Chief Executive, in writing, about any circumstances (for example, where you and your proposed subcontractor have common directors) which might lead to an actual or perceived conflict of interest
  - 21.2. not award the contract without the Chief Executive's permission in writing, and
  - 21.3. send your request to your Central Delivery Service adviser
22. You must carry out your own due diligence checks when appointing subcontractors. You must not use the Register of Training Organisations as a substitute for carrying out your own due diligence checks.
23. You must not appoint any subcontractors with a contract value of £100,000 or greater for each funding year unless they are listed on the Register of Training Organisations first.
  - 23.1. This also applies if the subcontract from you would take the total value of subcontracts that the subcontractor holds to deliver education and training funded by us to £100,000 or more.
  - 23.2. You must obtain this information from each proposed subcontractor and also refer to the latest published List of Declared Subcontractors and Register of Training Organisations.
24. If a subcontractor you are using exceeds the £100,000 threshold and is not listed on the Register of Training Organisations, you must immediately end your subcontract with that organisation. This applies regardless of whether you were the provider whose contract took the subcontractor over the threshold.
25. We expect you to make sure any subcontractor you appoint continues to meet the Register of Training Organisations' requirements and that they receive all the necessary support from you.
26. If any of the following circumstances apply, you must not enter into new subcontracting arrangements or increase the value of your existing arrangements. These conditions will continue until we are satisfied that the situations have been put right.
  - 26.1. If Ofsted has rated your leadership and management as inadequate.
  - 26.2. If you do not meet our [Minimum Standards](#).

- 26.3. If the outcome of your annual financial health assessment we carry out is inadequate.

## **Entering into a subcontract**

27. All learners who are provided with education and training under a subcontract remain your responsibility. This includes learners funded by us or through a 24+ Advanced Learning Loan. If your subcontractor fails to deliver, you will be responsible for making alternative arrangements for the delivery of education and training and/or repaying Skills Funding Agency or Loan funding.
28. You must only award contracts for delivering funded provision to legal entities. If the legal entity is a registered company, it must be recorded as 'active' on the Companies House database.
29. You must not award a subcontract to any organisation if:
- 29.1. it has an above average risk warning from a credit agency
  - 29.2. it has passed a resolution (or the court has made an order) to wind up or liquidate the company, or administrators have been appointed, or
  - 29.3. its statutory accounts are overdue
30. You must make sure that learners and employers supported through subcontracting arrangements know about your and your subcontractor's roles and responsibilities in providing the learning.
31. You must have a legally binding contract with each subcontractor that includes all the terms set out below in paragraphs 34 to 44.
32. You must have a contingency plan in place for learners in the event that:
- 32.1. you need to withdraw from a subcontract arrangement
  - 32.2. a subcontractor withdraws from the arrangement, or
  - 32.3. a subcontractor goes into liquidation or administration
33. We need assurance that education and training provided by subcontractors will keep to our funding rules. You must make sure that the terms of your subcontracts allow you to:
- 33.1. monitor the subcontractor's activity

- 33.2. have control over your subcontractors, and
- 33.3. monitor the quality of education and training provided by subcontractors

### **Terms that must be included in contracts with subcontractors**

- 34. We do not provide a template for subcontracts, but you must make sure your subcontracts include the contents of this section. You should take your own legal advice on the wider terms and conditions of contracts you enter into with subcontractors.
- 35. Subcontractors must keep to our funding rules.
- 36. Subcontractors must provide you with ILR data so your data returns to us accurately reflect your subcontractor's delivery information.
- 37. Subcontractors must give us, and any other person nominated by us, access to their premises and all documents relating to Agency-funded provision.
- 38. Subcontractors must give you sufficient evidence to allow you to:
  - 38.1. assess their performance against Ofsted's Common Inspection Framework
  - 38.2. incorporate the evidence they provide into your self-assessment report, and
  - 38.3. guide the judgements and grades within your self-assessment report
- 39. Subcontractors must always have suitably qualified staff available to provide the education and training we fund.
- 40. Subcontractors must co-operate with the lead provider to make sure that there is continuity of learning if the subcontract ends for any reason.
- 41. Subcontractors must tell you if evidence of any irregular financial or delivery activity arises. Irregular activity could include, but is not limited to:
  - 41.1. non-delivery of training when funds have been paid
  - 41.2. sanctions imposed on the subcontractor by an awarding organisation
  - 41.3. an inadequate Ofsted grade

- 41.4. complaints or allegations by learners, people working for the subcontractor or other relevant parties, and
- 41.5. allegations of fraud
- 42. All European Social Fund (ESF) clauses from your funding agreement with us must be included in the subcontract, even if the provision being subcontracted is not funded by the ESF.
- 43. Subcontractors must not use our funding to make bids for or claims from any European funding on their own behalf or on our behalf.
- 44. Subcontractors must not use payments made as match funding for ESF Co-Financing Projects.

## **Monitoring**

- 45. You must robustly manage and monitor all of your subcontractors to ensure that high-quality delivery is taking place that meets the specific funding requirements for each programme being delivered.
- 46. You must carry out a regular and substantial programme of quality-assurance checks on the education and training provided by subcontractors, including visits at short notice and face-to-face interviews with staff and learners. The programme must:
  - 46.1. cover whether the learners exist and are eligible
  - 46.2. involve direct observation of initial guidance
  - 46.3. involve direct observation of assessment, and
  - 46.4. involve direct observation of the delivery of learning programmes
- 47. The findings of your assurance checks must be consistent with your expectations and the subcontractor's records.
- 48. You must make sure that any apprenticeship provision that you subcontract meets all of the standards required of apprenticeship delivery, including the requirements of the individual apprenticeship frameworks, the Statement of Apprenticeship Quality and the rules in the apprenticeship section of this document.

## **Second-level subcontracting**

- 49. You must get our approval in writing each year if you want to subcontract to a second level. We will only allow second-level subcontracting in

exceptional circumstances. You can find more information on our [website](#).

50. You must declare any second-level subcontracting on your Subcontractor Declaration Form by ticking the relevant box.

### **Reporting subcontracting arrangements**

51. You must provide a fully completed Subcontractor Declaration Form by the exact dates we will give you. This will be at least twice during 2015 to 2016. If you do not return the form on time, we will suspend your payments. If you do not subcontract, you must still provide a nil return form to confirm this.
52. You must also update and return your Subcontractor Declaration Form if your subcontracting arrangements change during the year.
53. You must report all subcontracted learning in the ILR.

### **Distributing income between you and your subcontractors**

By law, the Chief Executive of Skills Funding must make the best use of resources when securing the provision of education and training. We will monitor the fees and charges associated with subcontracting to make sure enough funding is being allocated for providing high-quality education and training.

54. Your supply-chain fees and charges policy must be reviewed and signed by your governing body / board of directors and your accounting officer.
55. You must publish your supply-chain fees and charges policy on your website before entering into any subcontracting agreements for the 2015 to 2016 funding year.
56. Your fees and charges policy must only include 'provision subcontracting'. Provision subcontracting is when you subcontract the delivery of full programmes or frameworks. It is not subcontracting the delivery of a service as part of the delivery of a programme (for example, buying the delivery of part of an apprenticeship framework or outreach support). If you are not sure whether your subcontracting arrangements are defined as 'provision subcontracting', please discuss this with our Central Delivery Service.
57. Employers receiving direct grant funding from us must publish information on their fees and charges policy for the 2015 to 2016 funding

year online or, where this is not appropriate, send the information to their employer development manager. This information will then be held on record and be available for requests under the Freedom of Information Act.

58. You must, as a minimum, include the following in your supply-chain fees and charges policy.
  - 58.1. Your reason for subcontracting.
  - 58.2. Your contribution to improving your and your subcontractor's quality of teaching and learning.
  - 58.3. The typical percentage range of fees you retain to manage subcontractors, and how you calculate this range.
  - 58.4. The support subcontractors will receive in return for the fee you charge.
  - 58.5. If appropriate, the reason for any differences in fees charged for or support provided to different subcontractors.
  - 58.6. Payment terms between you and your subcontractors; timing of payments in relation to delivering provision and timescale for paying invoices and claims for funding received.
  - 58.7. How and when the policy is communicated to and discussed with current and potential subcontractors.
  - 58.8. Timing for policy review.
  - 58.9. Where the policy is published.
59. You must also publish the actual level of funding paid and retained for each of your subcontractors in 2015 to 2016. This data must be published within 30 days of the 2015 to 2016 ILR closing.
  - 59.1. The actual level of funding paid and retained must only include 'provision subcontracting', which is defined in paragraph 56.
60. Employers receiving grant funding direct from us should publish their data online or, where this is not appropriate, send it to their employer development manager within 30 days of the 2015 to 2016 ILR closing. This information will then be held on record and be available for requests under the Freedom of Information Act.
61. You must, as a minimum, include the following in your published supply-chain fees and charges.
  - 61.1. Name of the subcontractor.



- 61.2. The UKPRN number of the subcontractor.
  - 61.3. Contract start and end date.
  - 61.4. Type of provision (for example, 16 to 18 apprenticeships, 19+ apprenticeships, classroom learning, workplace learning).
  - 61.5. Funding we have paid to you for provision delivered by the subcontractor in that academic year.
  - 61.6. Funding you have paid to your subcontractor for provision delivered in that academic year.
  - 61.7. Funding you have retained in relation to each subcontractor for that academic year.
  - 61.8. If appropriate, funding your subcontractor has paid to you for services or support you have provided in connection with the subcontracted provision.
62. You must publish this information on actual fees and charges alongside your supply-chain fees and charges policy.

## **Evidence required**

- Paragraph 14 – Minutes of governing body / board of directors meetings and written evidence of accounting officer sign-off.
- Paragraph 15 – Curriculum vitae of staff procuring, contracting with and managing subcontractors.
- Paragraph 20 – A request to subcontract, including an external audit report from an independent and qualified external auditor, and a copy of approval from the Chief Executive of Skills Funding.
- Paragraph 21 – Written details of anything that could be considered to give rise to a conflict of interests, and a copy of the response from the Chief Executive of Skills Funding.
- Paragraph 24 – Evidence that the subcontractor is on the Register of Training Organisations and the UK Register of Learning Providers (UKRLP), and their UK Provider Registration Number (UKPRN).
- Paragraphs 28 and 29 – Copies of the process you follow and checks you carry out when appointing subcontractors.
- Paragraph 31 – Copies of your subcontracts with each subcontractor.
- Paragraph 32 – A contingency plan.
- Paragraph 49 – A request to second-level subcontract and copy of approval to second-level subcontract.
- Paragraphs 51 to 52 – An up-to-date and fully filled-in Subcontractor Declaration Form.
- Paragraph 54 – Minutes of governing body / board of directors meetings and written evidence of accounting officer sign-off.
- Paragraph 55 – Evidence of a published supply-chain fees and charges policy, as set out in these funding rules.
- Paragraphs 59 to 62 – Evidence of funding paid and retained in relation to supply-chain fees and charges, as set out in these funding rules.

## Section 1 - General funding rules for 2015 to 2016

### Principles of funding

This section sets out the principles behind the funding rules that apply to all learning and skills provision which we have funded or which has been funded through a Loan.

We will continue to use the simplified funding system that we put in place in 2013 to 2014. You can find more details about the funding system in our funding rates and formula document which is available on our [website](#).

We will monitor the use of the funding system which may lead to the recovery of funds.

63. We will review whether the education and training you provide represents good value for money. If we consider that the funding we have provided is significantly more than the cost of the education and training, we may, after consulting you, reduce the amount of funding we pay you.
64. These funding rules apply to all learners from 1 August 2015. This includes learning that started before 1 August 2015 or new learning aims or programmes started on or after 1 August 2015. The only exceptions to this are for:
  - 64.1. the funding rules that state they only apply to those starting a new learning aim, or to continuing learners
  - 64.2. funding eligibility rules, as this is determined on the first day a learner starts their learning

### Learner eligibility

65. You must only claim funding for learners assessed as eligible for funding as shown in these rules. The detailed eligibility criteria for funding are set out in the Eligibility for funding section.
66. To be eligible to be funded by us, on the first day of learning a learner must be:
  - 66.1. aged 19 or older on 31 August within the funding year in question (if the learning aim is not an apprenticeship or traineeship), or

66.2. aged 15 or older and have legally left school (if the learner is an apprentice or on a traineeship)

- An apprentice cannot start an apprenticeship until after the last Friday in June of the academic year in which they have their 16th birthday.
- A learner cannot start a traineeship until 1 August after they leave Year 11 (or its equivalent in other parts of the United Kingdom).

The age of the learner on 31 August in the funding year is only relevant when determining whether the learner is funded by us or the Education Funding Agency (EFA). For all other purposes, including eligibility for 24+ Advanced Learning Loans, the age of the learner is that at the start of each learning aim.

67. Separate eligibility rules apply if the learner is being funded by the European Social Fund (ESF) or Community Learning programmes and paragraphs 65 to 66 do not apply.
68. You must check the eligibility of the learner at the start of each learning aim. For apprenticeships and traineeships you must check their eligibility at the start and this will not change during the programme.
69. You do not need to check the eligibility of learners funded through a Loan, as the Student Loans Company will be responsible for assessing whether the learner is eligible (see paragraphs 154 and 534).
70. A learner's eligibility for the learning aim or programme will not change during the learning aim or programme unless they are an apprentice and their employment status changes (see paragraphs 261 and 266). Individuals who are not eligible for funding at the start of a learning aim or programme will not be eligible for the whole of that learning aim or programme.
71. Learners studying learning aims or a programme lasting more than one funding year, and are eligible for funding at the start, will be eligible for funding for the whole of the learning aim or programme. You must reassess the learner for any further learning aims or programmes they start.
72. Any learner, of any age, must be able to achieve the learning aim or programme of study within the time that they have available. If you know a learner is unable to complete a learning aim in the time they have available, they cannot be funded.

## **Learners with learning difficulties and disabilities**

The EFA is responsible for funding provision for learners aged 19 to 24 who have an Education, Health and Care Plan (EHC plan) or Learning Difficulty Assessment (LDA).

73. We will fund individuals who are:

- 73.1. aged 19 and over, and under 25, who are not subject to an EHC Plan or LDA, but who self-declare they have a learning difficulty or disability or
- 73.2. aged 25 and over and who self-declare they have a learning difficulty or disability

74. We will fund apprenticeship training for individuals who:

- 74.1. have left compulsory school age but are under 19, or
- 74.2. are 19 or over, including those who self-declare they have a learning difficulty or disability

75. For more details on learners and apprentices with learning difficulties and disabilities please see paragraphs 397 to 399.

## **Learning eligibility**

- 76. You must make sure that we have approved the learning aim for funding and it appears on the Learning Aim Reference Service (LARS) before learners start.
- 77. For learners funded through a Loan, you must make sure that the learning aim can be funded at the time that the learner starts by checking LARS.
- 78. For apprenticeships, you must only claim for funding for an apprentice on a framework that has been issued in a published apprenticeship framework document and is available for public funding on LARS on the date that the apprentice starts.

## Continuing learners

79. Learners continuing learning aims from previous years will receive funding as was determined at the start. Learners moving between programmes, for example from an intermediate-level to an advanced-level apprenticeship would be starting a new programme and therefore new conditions would apply.
80. Learners previously funded by the EFA, who we become responsible for funding if they continue their learning aim or programme in the next funding year after their 19th birthday, will be eligible for funding from us for those continued learning aims. Where this applies we will use the EFA's funding method, but the funding will be paid from the adult skills budget.
81. We will only fund a continuing learner at a provider with whom we have a funding agreement in place.
82. Learners funded through the Offenders' Learning and Skills Service (OLASS) budget will be fully funded from the adult skills budget for learning aims they continue after leaving custody.

### *A-levels*

83. When a learner starts an AS-level qualification and intends to continue through to a full A-level in the same subject, the funding of both the AS and A-levels will be treated as if they were a single qualification. This must be set out in their learning agreement and the learning must be in consecutive funding years.
84. This means the following.
  - 84.1. For 18-year-olds who become 19, we will fund the A-level using the EFA method, but the funding will be paid from the Adult Skills Budget.
  - 84.2. 23-year-olds who become 24 will continue to be funded by us and will not have to apply for a 24+ Advanced Learning Loan for the A-level.

## Delivery in England

85. You must not claim funding for provision that is delivered to a learner outside England unless we give you permission before learning starts. This applies to learning delivered on your or the employer's premises, and to distance learning or learning where a variety of methods and locations are used.

## Other principles

86. All learners who are funded by us or funded through a Loan must have a learning agreement (see paragraphs 130 to 136).
87. You (or your subcontractors) must not claim funding for any part of any learner's learning aim or programme that duplicates provision they have received from any other source. This includes a different Agency funding stream, another government department (for example, the Work Programme funded by the Department for Work and Pensions), the EFA or the learner's employer.
88. You must make sure that there is no duplication in the learner's programme. If this happens due to an overlap in the content of the learning aim, you must reduce the funding you are claiming to reflect the amount of overlap. In the case of provision funded by a Loan, you must reduce the fee to the learner.
89. We will not fund a learner to repeat a qualification unless it is English and maths within an apprenticeship where the original qualifications in English and maths do not meet the requirements of the apprenticeship framework.
90. We will not fund a learner to obtain a higher grade in a qualification they have already achieved unless this is a GCSE where the learner has not achieved grade C or higher. When the learner has achieved grade C or higher no further funding can be claimed.
91. You must make sure that you provide accurate unique learner number (ULN) information to awarding organisations and that all information used to register learners for qualifications is correct (you can find more information on our [website](#)).

## Qualifying days for funding

92. Where the learner or apprentice has not achieved the learning aim, you only qualify for funding if the learner or apprentice is in learning for the minimum number of qualifying days. This is calculated from the number of days between the learning start date and learning planned end-date entered on the ILR, including both of those days.

Planned length of the learning aim	Minimum qualifying days
168 days	42 days
14 to 167 days	14 days
Fewer than 14 days	1 day

93. Where the learner achieves the learning aim then the minimum qualifying days funding rule will not apply.

## Accreditation of prior learning

Sometimes, a learner already holds qualifications or other certificates that mean they do not have to undergo some or all of the learning and assessment needed for a learning aim. This existing accreditation is called Accreditation of prior learning (APL).

94. If you use APL for a learner, you must reduce the amount of funding claimed for the learning aim by the percentage of learning and assessment that the learner does not need. In the case of a learner funded through a Loan, the fee charged to the learner must be reduced by the same percentage.
95. Qualifications must enable the learner to improve their knowledge and skills, rather than just accredit prior knowledge. Where you use APL this must be in line with the awarding organisation's requirements for the delivery and assessment of the qualification.
96. If you use APL for any part of the learning and assessment for a qualification within an apprenticeship framework, you must reduce the funding for the qualification by the proportion of the qualification which is assessed using APL. See paragraphs 283 to 286.
97. If a learner does an AS qualification followed by an A level then you must use APL to reduce the amount of funding claimed for the A level and record this in the Funding adjustment for prior learning field in the ILR. You can access further information, including illustrative examples in our [guidance for recording A and AS levels on the ILR for 2015 to 2016](#).
98. You must not claim funding where a learner only resits a learning aim assessment or examination and no extra learning takes place.

## Recognition of prior learning

Recognition of prior learning (RPL) is an assessment method. It considers whether a learner meets the requirements for a unit or qualification through existing knowledge, understanding or skills and does not need to develop them through additional learning. This is different to APL as the prior learning has not been accredited through a qualification. It recognises learning that has happened before starting a formal qualification, identifying appropriate achievement evidence and using an appropriate assessment methodology.



99. For any learning aim outside of an apprenticeship framework, you can claim the usual amount of funding for that learning aim providing no more than 50% of the qualification is assessed using RPL. For provision funded by a Loan, there is no need to reduce the fee to the learner.
100. If you use RPL you must calculate the proportion of the assessment that will be through RPL.
  - 100.1. If this is less than 50% you do not need to alter the amount you claim.
  - 100.2. If this is 50% or more you must reduce by 50% the amount of funding for the learning already assessed using RPL.
101. You must not claim funding for provision, or require a learner to take out a Loan, if you use RPL instead of learning to meet the awarding organisation's full requirements for achieving the learning aim.
102. Where you use RPL this must be in line with the awarding organisation's requirements for the delivery and assessment of the qualification.
103. You must not use RPL for English, maths and English for Speakers of Other Languages (ESOL) qualifications. See paragraphs 218 to 224.
104. If you use RPL for any part of the assessment for a qualification within an apprenticeship, you must reduce the funding for the qualification by the proportion of the qualification which you assess using RPL.

## European Social Fund (ESF) match funding

The ESF is one of the available funds within the European Social and Investment Funds (ESIF) 2014 to 2020 Programme. We operate as an Opt-in Organisation delivering ESF activity on behalf of Local Enterprise Partnerships (LEPs). LEPs decide how to invest the ESIF for 2014 to 2020. We support them to deliver their ESIF strategies. We deliver a service to procure and manage contracts for (and match funding for) provision that meets the local needs identified by each LEP.

As an ESIF Opt-in Organisation, we must match ESF funds contracted with money from the UK government (that is, eligible mainstream programme funds). We must use some of the funding we get from the government to pay for an amount of training and support that is equivalent to the ESF contract. We identify activity that improves the skills of the workforce and helps people who have difficulties finding work.

We must report this match funding and the associated learners within our funding claims to the ESF Managing Authority in England. When we identify funds as match funding, the learning activity and its associated funding become part of the ESF programme, so they are also governed by the requirements of the ESF programme.

105. If you have a contract from us to deliver training and support with funding from our mainstream budget, we will use your activity as match funding for ESF 2014 to 2020.

106. You must:

106.1. make sure you and your subcontractors tell learners that they are on a programme funded by us, which we could use as match funding for ESF

106.2. keep all learner data and documents until the end of the document retention period for the 2007 to 2013 ESF programme (at least until 31 December 2022), for the 2014 to 2020 Programme (at least until 31 December 2029 but will be confirmed once the Operational Programme is approved)

106.3. have policies for equal opportunities and sustainable development

107. Further requirements may be identified through the Operational Programme Approval process and we will notify you, when necessary.

108. If you do not keep to the rules of the ESF programme, you will break the conditions of your contract and this could result in the recovery of funds.

109. You, your subcontractors and other third-party organisations must not use our mainstream programme funds as match funding for your own projects through other European Union funds (for example, European Regional Development Fund, European Integration Fund and so on).
110. You must keep all original evidence relating to invoices, management information, participant information and all other documents. This is needed to prove you have delivered the services for seven years after the final programme payment is made by the European Commission.
111. You can keep physical or electronic copies of this evidence. If you keep electronic copies, you must follow the rules set out by the ESF Managing Authority.
  - 111.1. You must make a declaration showing where you will store this evidence and who will be responsible for looking after it.
  - 111.2. All data on participants must be accurate and up to date, and you must correct any mistakes.
112. All providers must keep to the ESF publicity rules.
113. You must keep to our logo and design guidelines on all promotional materials or activities relating to delivering the contract, as set out on our website.
114. You must display the ESF logo and references to financial support from the ESF when you describe or publicise any ESF opportunities, activities and achievements. This includes, but is not restricted to, displaying them on:
  - 114.1. all information and publicity materials, including websites, communications sent over the internet, correspondence and literature used by participants
  - 114.2. advertisements, press releases and other media-targeted materials
  - 114.3. all documents that are used with participants and partners, for example, enrolment documents, training materials, individual learning plans (ILPs), attendance records and internal certificates
115. You must display any ESF plaques prominently at yours and subcontractors' premises. You can get these plaques from us. If you need extra plaques, you should contact our Central Delivery Service.

116. You must co-operate with any programme-level evaluation projects led by the Department for Work and Pensions' (DWP) ESF division or their appointed consultants who contact you directly.
117. You should be aware that the provision may be audited by agencies of or acting on behalf of the ESF Managing Authority or the European Commission (EC) after the delivery has finished.
118. If you are chosen as part of an ESF audit sample – for either ESF or match provision – you must supply all the evidence to support ESF or match activity that external ESF auditors want to see.
119. If you are chosen for an audit visit, you must allow external auditors into your premises and co-operate with the audit.
120. We take account of the outcomes of audits and compliance checks when we compare your earnings and our payments to you. We will make sure that we correct any mistakes found from the audits and all necessary action has been taken.

## **Sustainable development and equal opportunities**

121. All providers must have sustainable development governance, policies and implementation plans which explain:
  - 121.1. commitment to promoting sustainable development and complying with relevant European Union (EU) and domestic environmental legislation
  - 121.2. how the commitment will be turned into action at project level
122. We will monitor provider contracts; this will include basic checks such as making sure that sustainable development policies and implementation plans are in place and that appropriate action is being taken to implement them.
123. The programme will promote equal opportunities and non-discrimination and providers will keep to the principles and processes set out in EU and United Kingdom (UK) equality legislation.
124. We will monitor provider contracts and this will include basic checks such as ensuring that equality policies and implementation plans are in place for delivery. You must make sure that your activities are fully accessible to disabled people in line with your public duty under the 2010 Equality Act.

## Evidence required

- Learning Agreement (see paragraphs 130 to 136).
- Paragraph 85 – The ‘Delivery location postcode’ field in the ILR must be recorded as in England. Where we agree that a learning aim may be delivered elsewhere, you must first get authorisation from our Central Delivery Service. You must keep this authorisation in the Learning Agreement for the learner. This will usually be an email from our Central Delivery Service.
- Paragraph 106.3 - Evidence to show how you have documented, reviewed and improved your equal opportunities policy and the monitoring of delivery arrangements by our Central Delivery Service.
- Paragraph 106.3- Your sustainable development policy produced using the sustainable development policy evaluation toolkit from the [ESF in England](#) website.
- Paragraph 111– A signed declaration at the end of the contract term that states the arrangements in place to store and retrieve all documents needed to check the ESF provision delivered by you and your subcontractors until at least 31 December 2022.
- Paragraph 114 - Copies of documents describing, recording or publicising ESF projects which display the ESF logo and a statement that the project activity is part-financed by the European Social Fund.
- Paragraph 115 - ESF plaques must be visible to all staff and participants in a prominent place within your premises.
- Paragraph 123 - Evidence that you have consulted both the ESF Gender Equality and Equal Opportunities Mainstreaming Plan (from the [ESF in England website](#)) and our Single Equality Scheme when actively promoting equal opportunities.
- Paragraph 124 - Your equal opportunities policy produced using the equal opportunities policy evaluation toolkit from the [ESF in England](#) website.

## Principles of evidence

You need to provide evidence to assure us that you have delivered education and training in line with our funding agreement and the funding rules.

Some evidence will come from specific business processes, and some as part of your day-to-day working. Evidence can be naturally occurring.

### The main principles of providing evidence

125. You must hold evidence:

- 125.1. that the learner exists
- 125.2. that the learner is eligible for funding, and at the rate of funding being claimed
- 125.3. that the education and training being delivered is eligible for funding
- 125.4. that the learning activity is taking place or has taken place
- 125.5. that the achievement of learning aims is certified, if applicable (that is, a certificate has been issued by an awarding organisation), and
- 125.6. of why other funding has been claimed, such as job outcome payments, learning support and learner support

126. You must have evidence that the learner exists and is eligible before the minimum qualifying days for funding, (see paragraphs 92 and 93).

127. You must have evidence to show the learning is taking or has taken place. This will depend on the methods you use and could include registers, reviews, online software and so on. Attendance at a location, such as a classroom or training centre, is not sufficient on its own to evidence learning has taken place.

128. If a learner withdraws from learning without achieving, you must only claim funding up to the last date where you have evidence that the learner was still in learning.

129. If an apprentice leaves without achieving, the last date of learning is the last date where you have evidence that the learner was still in learning for any learning aim that is part of their apprenticeship framework.

## Learning agreement

A learning agreement can be a single document or a collection of information brought together to form a single point of reference relating to the learning that is taking place.

It may be in paper, electronic or a mixture of formats. It could include enrolment forms, data-capture forms, induction checklists, initial assessments, training plans, confirmation letters to learners, self-declarations, attendance records, copies of certificates, result forms and so on. This collection of documents could also include employment records held by the employer.

130. The learning agreement must show the evidence needed to support the funding claimed and must be available to us if required.
131. You and the learner must confirm that the information in the learning agreement is correct and, therefore, the information you have reported to us in the ILR is correct by the minimum qualifying days for funding.
132. If the time spent in learning is short, the level of evidence we would require will reflect this. If information other than eligibility or learning activity is not used or needed you do not need to collect it.
133. Where you hold information centrally, you only need to refer to the source.
134. The learning agreement must confirm at least the following.
  - 134.1. All information reported to us in the ILR, and if it applies, the supporting evidence of the data being reported.
  - 134.2. The assessment of eligibility for funding and a record that you have seen evidence provided by the learner.
  - 134.3. All initial, basic skills and diagnostic assessments. This includes assessments confirming that learners will be ready to move on to an apprenticeship or employment within six months of starting their traineeship.
  - 134.4. For unemployed learners who are receiving other state benefits and receive full funding at your discretion, this would include evidence of the discussion and agreement that the learning is directly relevant to employment prospects and labour market needs.
  - 134.5. For recognition of prior learning and entry or exit requirements, information on prior learning that affects the

learning or the funding of any of the learning aims or programme.

- 134.6. For 'personalised learning programmes', for example non-regulated learning, full details of all the aspects of the learning to be carried out.
  - 134.7. A description of how you will deliver the learning and skills and how the learner will achieve.
  - 134.8. The reason why the learner has been given the level of funding that they have, and details of any learner or employer contribution.
  - 134.9. Learning support needs identified through assessment and how these will be met including evidence of delivery.
  - 134.10. Records of learning (including evidence of attendance and participation in a work placement if the learner is taking part in a traineeship).
  - 134.11. Learner support provided, including the learner's application (if this applies) and details of how you will make payment (grant, loan, or payment to a third party).
  - 134.12. A learner's self-declarations on their status relating to benefits, unemployment and gaining a job.
  - 134.13. All records and evidence of achievement of learning aims or apprenticeship frameworks. This must be available within three months of you reporting it in the ILR.
135. If a subcontractor delivers any provision to the learner, it must clearly give your name as well as theirs in the learning agreement, and the learner must know this. This must match the information reported to us in the ILR.
136. The learning agreement for an apprentice must also contain:
- 136.1. the apprentice's job role
  - 136.2. relevant experience and achievements both inside and outside their current working role
  - 136.3. the learning and skills they have to carry out while on their apprenticeship outside of named qualifications



- 136.4. the name of the employer and the agreed contracted hours of employment, the total planned length of the apprenticeship, and
  - 136.5. confirmation that an Apprenticeship Agreement is in place or confirmation that the employer has been told about their legal duty for an Apprenticeship Agreement
137. Other additional evidence requirements are set out at the end of each section of the funding rules.

## **Confirmation and signatures**

138. You must record evidence of the learner's and employer's confirmation of information. This can include, but is not restricted to, electronic formats, such as electronic platforms, scanned data and digital signatures. When you collect a signature, we accept either handwritten or electronic format.
139. Digital signatures, electronic evidence and the wider systems of control must give your management team assurance that learners are eligible for funding and that they exist. You must make sure you have systems in place to monitor learner activity, including that they are continuing to learn and achieve.
140. You must make sure you keep effective and reliable evidence to support funding claims. You are responsible for making the evidence you hold easily available to us when we need it.

## **Starting, participating and achieving**

141. The start date for a learning aim is when activity directly related to the learning aim has begun. We do not consider enrolment, induction, prior assessment, diagnostic testing or similar activity as the start of learning. You can only claim funding where learning has started.
142. You must provide evidence of learning reported in the ILR. If you do not have any evidence of learning taking place and you have claimed funding, we have the right to make you repay that funding.
143. If the learner achieves their learning aim, you will not need to keep evidence of all the activity that has taken place unless this relates to non-regulated provision. You must provide evidence that the learning took place and that the learner was not just certificated for prior knowledge.
144. You do not need to keep copies of certificates issued by awarding organisations as evidence of achievement as we will use the data that

awarding organisations give us as part of the Personal Learning Record (PLR), if this is available.

145. We will compare the information held in the PLR against the achievement data you report to us in the ILR to make sure only valid achievement is claimed for.
146. You must keep a copy of the apprenticeship framework achievement certificate, as this information is not yet entered into the PLR. We will update our rules and inform you when this changes.
147. You must apply for, and give to learners, the certificates that awarding organisations issue for achieving a learning aim. You must evidence in the learning agreement that this has happened.

### **Individualised Learner Record (ILR)**

148. The ILR data reported to us is not evidence but is the basis on which our payments are made to you. The information contained in the learning agreement must support the ILR data you have reported. The ways in which you collect data may form part of your evidence. For example, you may include forms used to collect ILR data, such as enrolment forms, in the learning agreement.
149. If we fund a learner you must accurately complete all ILR fields as required in the ILR Specification, even if they are not used for funding. We will use the ILR to monitor the funding rules and will reclaim funding if the data does not show eligibility for funding.

### **Self-declarations by learners**

150. Any learner self-declarations must confirm the learner's details and describe what the learner is confirming. This can be in electronic format.
151. Where the self-declaration relates to prior attainment you must check this against any information held in the PLR. If the PLR contradicts the self-declaration, you must challenge the information supplied by the learner.

### **Evidence required**

- Learning Agreement (see paragraphs 130 to 136).

# Eligibility for funding

## Introduction

152. You must make sure that learners are eligible to be funded on the day that they start learning. Eligibility is not determined on the day that the learner enrolls. If the learner becomes eligible after they have started a learning aim, we will not fund this learning aim.
153. An individual having the right to live or work in England does not make that person eligible for state funding for education and training. For example, they may have permission to work in England, through a Tier 4 visa (general student), but not to state funding for education or training.
154. Different eligibility criteria apply for individuals applying for a 24+ Advanced Learning Loan. The Student Loans Company assesses all individuals for their eligibility. You can find more information on eligibility on the [GOV.UK website](https://www.gov.uk).
155. Most individuals will be eligible for funding if they
- 155.1. are a citizen of a country within the European Economic Area (EEA) or other countries determined within the European Economic Area, or have the Right of Abode in the UK. EEA countries are listed within Annex 1, paragraphs a to c
  - 155.2. have been ordinarily resident in the EEA for at least the previous three years on the first day of learning and
  - 155.3. the learning is taking place in England
156. Eligibility of individuals who do not meet the requirements listed in paragraph 155 is discussed below.

## Non-EEA citizens

157. A non-EEA citizen is eligible for funding if they have permission granted by the UK government to live in the UK, which is not for educational purposes, and have been ordinarily resident in the UK for at least the previous three years before the start of learning.

## Individuals with certain types of immigration status and their family members

158. Any individual with any of the statuses listed below, is eligible to receive funding and are exempt from the three-year residency requirement rule.

You must have seen the learner's immigration permission in these circumstances.

158.1. Refugee Status.

158.2. Discretionary Leave to Enter.

158.3. Discretionary Leave to Remain.

158.4. Exceptional Leave to Enter.

158.5. Exceptional Leave to Remain.

158.6. Indefinite Leave to Enter.

158.7. Indefinite Leave to Remain.

158.8. Humanitarian protection.

158.9. Leave Outside the Rules.

158.10. The husband, wife, civil partner and child of any of the above in this paragraph. (158.1 – 158.9)

159. The learner's immigration permission in the UK may have a 'No recourse to public funds' condition. This does not include education or education funding, so this does not affect a learner's eligibility, which must be decided under the normal eligibility conditions.

## **Asylum seekers**

160. Asylum seekers are eligible to receive funding if:

160.1. they have lived in the UK for six months or longer while their claim is being considered by the Home Office, and no decision on their claim has been made, or

160.2. they are in the care of the local authority and are receiving local authority support under section 23C or section 23CA of the Children Act 1989 or section 21 of the National Assistance Act 1948

161. An individual who has been refused asylum will be eligible if:

161.1. they have appealed against a decision made by the UK government against granting refugee status and no decision has been made within six months of lodging the appeal, or

- 161.2. they are granted support for themselves under section 4 of the Immigration and Asylum Act 1999, or
- 161.3. they are in the care of a local authority and are receiving local authority support for themselves under section 23C or section 23CA of the Children Act 1989, or section 21 of the National Assistance Act 1948

## Family members of EU and EEA nationals

162. In the explanations below, the 'principal' is the European Union (EU) or EEA national. The 'family' or 'family member' is the learner, and must be the husband, wife, civil partner, child, grandchild, dependent parent or grandparent of the 'principal'.
163. If a learner, who is a family member of an EEA national, has been ordinarily resident in the EEA for the three years prior to the start of their course, they are eligible for funding.
164. This table shows the eligibility for family members if:
- 164.1. the family member is now ordinarily resident in England, but has not been ordinarily resident in the EEA for at least the previous three years before the start of learning, and
- 164.2. a principal has been resident within the EEA for the last three years

		Principal ordinarily resident in the EEA for three years		
		EU (including UK) citizen	Non-EU EEA citizen	Non-EEA citizen
Family member not ordinarily resident in the EEA for three years	EU (including UK) citizen	Eligible	Eligible	Not eligible
	EEA citizen	Eligible	Not eligible	Not eligible
	Non-EEA citizen	Eligible	Not eligible	Not eligible

## **Children of Turkish workers**

165. A child of a Turkish worker is eligible if all of the following apply.

- 165.1. The Turkish worker is currently ordinarily resident in the UK.
- 165.2. The Turkish worker is, or has been, lawfully employed in the UK, and
- 165.3. The child has been ordinarily resident in the EEA and/or Turkey for the full three-year period before the start of their programme.

166. Any learner or relevant family member who has applied for an extension or variation of their current immigration permission in the UK is still treated as if they have that leave. Keeping this permission applies as long as the application was made before their current permission expired. Their leave continues until the Home Office make a decision on their immigration application.

167. As such, a learner or relevant family member, is considered to still have the immigration permission that they held when they made their application for an extension, and their eligibility would be based upon this status.

## **16 to 18 apprenticeships**

168. 16- to 18-year-olds are eligible to be funded for an apprenticeship if any of the following clauses apply.

- 168.1. They are accompanying or joining parents who have the Right of Abode, Leave to Enter or Leave to Remain in the UK (or accompanying or joining parents who are EEA nationals).
- 168.2. They are children of diplomats.
- 168.3. They are children of teachers coming to the UK on a teacher exchange scheme.
- 168.4. They are entering the UK (where not accompanied by their parents) and are British (or EEA) citizens.
- 168.5. They have a passport that has been endorsed to show they have the Right of Abode in the United Kingdom.
- 168.6. They are an asylum seeker.
- 168.7. They are placed in the care of a local authority, or

- 168.8. They meet the requirements for any other eligible category in this Eligibility for funding chapter.

### **Individuals who are not eligible for funding**

169. Learners not meeting the eligibility criteria set out above are not eligible to receive funding and include:
- 169.1. those who have been granted a Tier 4 Visa by the UK government (unless they meet the eligibility requirements of any of the categories in this chapter)
  - 169.2. non-EEA citizens who are in the United Kingdom on holiday, with or without a visa
  - 169.3. those who have overstayed their visa
  - 169.4. non-EEA citizens who are a family member of a person granted a Tier 4 Visa, have been given immigration permission to stay in the UK and have not been ordinarily resident in the UK for the previous three years on the first day of learning
  - 169.5. individuals who are ordinarily resident in the Channel Islands or Isle of Man, unless they are also ordinarily resident within England.

### **Learners who live in Wales, Scotland or Northern Ireland**

170. Wales, Scotland and Northern Ireland have their own funding arrangements. You must develop arrangements with the relevant administration if you are planning to deliver a significant quantity of learning to non-English residents.
171. We will consider funding an individual or a very small group of individuals who do not live in England, if specialist skills training is not available other than in England and they want to travel to, or live in England to study and learn. You must contact your Central Delivery Service advisor for authorisation before you recruit anyone under the terms described in this clause.
- 171.1. We will take into account the circumstances of any request, but it is unlikely that we will authorise more than 10 individual starts within a funding year.

- 171.2. You must not actively recruit learners who live and work outside of England.
172. For workplace learning, we will fund non-English resident learners (usually those learners living in Wales, Scotland or Northern Ireland) whose main employment and normal place of work is in England.
173. If a UK-based employer, bases their training provision only in England but wishes to include non-English residents, you must ask our Central Delivery Service (CDS) for permission to recruit. It is unlikely that we will authorise a group of more than 10 individual starts within a funding year.
174. You may be able to deliver learning in England to non-English residents who fall within your catchment area, but you must get permission from CDS.

### **Learners in the armed forces**

175. British armed forces personnel may want to continue in education and training while serving their country. We will fund eligible programmes of study for service personnel, Ministry of Defence (MoD) personnel or civil and crown servants, their husbands, wives, civil partners and family members in the following circumstances.
- 175.1. If the person has a permanent address in other parts of the UK but is on a posting in England or is in England with a member of the service personnel, Ministry of Defence (MoD) personnel or a civil servant.
- 175.2. If the person has a permanent address in England but is posted outside England as part of their work with the armed forces or is with a member of the service personnel, Ministry of Defence (MoD) personnel or a civil servant.
- 175.3. In both of the above cases, this also applies if a learner begins a learning aim or programme in England and is posted elsewhere while enrolled on a learning aim or programme, and also where the person begins a learning aim or programme while posted outside England.
- 175.4. Members of the British armed forces posted outside of the EU remain ordinarily resident in the UK during their time spent outside of the EU. Such time would count towards the three years that they require to have been ordinarily resident within the EU to be eligible. This also applies to the family members of these individuals.
- 175.5. The learner would also be considered eligible if ordinary residence in the EEA or Turkey is required and the learner or



relevant family member has been a member of the armed forces of an EEA state or Turkey. We define ordinary residence in the glossary.

176. Individuals of other nationalities serving as members of the armed forces of any country are eligible for the same funding as members of the British armed forces if they meet the criteria in paragraph 175. This includes the funding eligibility described above and their family members living with them on their postings. This does not apply to family members who do not join members of the armed forces and instead stay outside of England.

### **Learners temporarily outside of England**

177. If a person who is ordinarily resident in England has to work outside of England as part of their job, they (and their dependants if they are ordinarily resident in England), are eligible for funding as long as some of the learning takes place in England.
178. If some learning activity means the learner has to travel outside of England, they will continue to receive funding. We will not provide funding to cover the expense of these activities.

### **Evidence required**

- Learning Agreement (see paragraphs 130 to 136).
- Paragraph 158 – You must state that you have seen the learner's immigration permission. This could be a passport, a letter from UK Visas or Immigration or other evidence.
- Paragraph 166 – If the learner's permission to stay has expired, you must hold evidence that the application to remain has been made and the learner is not an overstayer.

## Section 2 - The adult skills budget including apprenticeships

The adult skills budget is used for flexible and responsive provision to learners and employers in the workplace and classroom.

Workplace learning is:

- any learning aim mainly delivered within a workplace and in connection with the employed learner's occupation or their employer's business
- any learning in an apprenticeship framework

Classroom learning is everything that is not workplace learning (including traineeships).

### Qualifications and units available within the adult skills budget (excluding apprenticeships)

We approve qualifications and units for funding for learners aged 19 and over in England. We implement qualifications policy in agreement with government, including for learners aged 24 and over where the Chief Executive has the power to designate qualifications at levels 3 and 4 eligible to be funded with a Loan.

For more information on the qualifications we approve and how we approve them, please see the Qualifications Information Guide for 2015 to 2016. This is available on our [website](#).

179. To be funded through the adult skills budget you must only deliver education and training that leads to the qualifications, units and other learning aims that we approve.
180. You must make sure that a learner is entitled to funding or a Loan for the particular learning aim you enrol them on. See paragraphs 194 to 196 for details of what funding or Loan a learner may be entitled to when enrolling on a particular learning aim.
181. Units may only be delivered to learners who are:
- 181.1. entitled to full funding as part of the offer for unemployed people (including traineeships and those released on temporary licence (RoTL))

- 181.2. remanded in custody and funded through the Offenders' Learning and Skills Service (OLASS) budget, or
  - 181.3. undertaking units from unit-based and credit-bearing English and maths qualifications that are approved for full funding for all eligible learners
182. You must not deliver units instead of qualifications in order to gain a funding advantage.

## Financial contributions for the adult skills budget programmes

This section explains the levels of government contribution that are made towards the cost of learning and the rules that you must follow. It applies to learners who are starting learning aims which are eligible to be funded through the adult skills budget.

This section does not apply to the following funding streams, as they have their own rules.

- Offenders' Learning and Skills Service (OLASS).
- Community Learning.
- European Social Fund (ESF).
- 24+ Advanced Learning Loans.

There are three levels of funding available for learners within the adult skills budget.

- Full funding - we will fund in full the costs of learning in line with the qualification rates detailed in the Learning Aim Reference Service (LARS).
- Co-funding - we will share responsibility for funding the costs of learning. This may mean that you pass on the remaining costs to the learner or their employer. The way in which we calculate co-funding is described in the [funding rates and formula document](#).
- No funding - we will not contribute to the costs of learning through the adult skills budget. If the learner is 24 or over when they start their learning, and provision is at level 3 or 4 they may be eligible to apply for a 24+ Advanced Learning Loan. Otherwise, this may mean you pass on costs to the learner.

183. You must make all individuals who wish to study aware of your policy on fees and charging.

184. You can decide what fees to charge learners who are co-funded, or what fees to charge their employer. This recognises benefits to the learner through increased wages and progression and to the employer by having a higher-skilled, more productive workforce.

185. In exceptional circumstances you can use the hardship element of your Discretionary Learner Support (DLS) allocation to help with fees for disadvantaged learners.

186. If we fully fund a learner's programme, you must not make compulsory charges relating to the direct costs of delivering a learning aim.
- 186.1. Direct costs include administration, registration, assessment, materials or examination costs, whether you have to pay them direct or they are charged by other organisations, such as awarding organisations. They can also include charges for identification passes, uniforms, tools and materials where the learner cannot achieve their learning aim without them.
187. Apprentices cannot be made to contribute financially to the direct cost of learning. If you charge an apprentice's employer, this is up to you.
188. You must make sure that each employer knows the financial value of the government's financial contribution to training their apprentices. This must be provided at the start of the apprenticeship and then at the beginning of each funding year. We expect the format to be 'over the next funding year, Her Majesty's Government (HMG) will contribute £\*\*\* to [insert employee's name] apprenticeship training'. This information may be needed by the employer for State Aid purposes.
189. You can pass on subscription charges, made by professional bodies to become a member of that organisation, to the learner or their employer if the learner is aged 19 or older. If achieving the learning aim relies on membership, you can make them pay this as a requirement of enrolling. You can also decide to use DLS funding to pay professional fees if you choose.
190. If you offer optional extras as well as learning, you can ask a learner or a learner's employer to pay. For example, trips and visits not required to achieve their learning aim. You must not ask a fully-funded learner to pay for optional extra activities if they must take these to complete or achieve their learning aim.
191. You can charge any learner for items not directly related to the learning activity, for example, library fines, replacement keys or student ID cards, printing and photocopying outside of learning.
192. If a fully-funded learner needs a Disclosure and Barring Service (DBS) check to take part in learning, you cannot charge them for this. If the learning is associated with the learner's employment, their employer is responsible for carrying out and paying for this check.
193. You can charge any learner if they want to keep materials used in a learning activity outside of the learning environment (for example, artwork, models and food).

## Full funding

194. The following individuals are entitled to full funding for their learning.

194.1. Individuals aged 16 to 18 on the day they start:

- intermediate-level apprenticeships
- advanced-level apprenticeships, or
- higher apprenticeships at levels 4, 5 and 6 for their non-prescribed higher education learning aims

194.2. Individuals aged 16 to 24 on the day they start traineeships, where they have not achieved a full level 3 qualification.

194.3. Individuals aged 19 or older who are not starting an apprenticeship, and:

- are starting GCSE English or maths where they do not currently have these qualifications at grades A\* to C
- are progressing towards GCSE English or maths at grade C or above, and are starting English or maths aims at a level above that at which they have been assessed
- are trade union representatives aged 19 or older on the day they start Trade Union Congress (TUC) learning aims up to level 3

194.4. Individuals aged 19 to 23 on the day they start.

- Entry-level and level 1 learning aims (excluding English, maths or English for Speakers of other Languages (ESOL)) delivered through classroom learning where they have a maximum prior learning accreditation of level 1, and are progressing to a full level 2 qualification.
- Vocational entry-level and level 1 learning aims (excluding English, maths or ESOL) delivered through workplace learning where they have a maximum prior learning accreditation of level 1, and are progressing to a full level 2 qualification.
- Level 2 learning aims (excluding English, maths or ESOL), which are not classed as full, delivered through classroom learning where they have a maximum prior learning accreditation of level 1, and are progressing to a full level 2 qualification.

- Vocational level 2 learning aims (excluding English, maths or ESOL), which are not classed as full, delivered through workplace learning where they have a maximum prior learning accreditation of level 1, and are progressing to a full level 2 qualification.
- Their first full level 2 qualification.
- Their first full level 3 qualification.
- Their first level 4 qualification (30 credits or more) without having achieved a first full level-3 qualification.

194.5. Individuals aged 19 to 23 on the day they start learning aims up to and including level 3 and individuals aged 24 or older on the day they start learning aims up to and including level 2 who need help to move into work, progress in work or remove a barrier to getting into work, and who are:

- released on temporary licence (RoTL), undertaking learning outside a prison environment and not funded through OLASS
- receiving Jobseeker's Allowance (JSA), including those receiving National Insurance credits only
- receiving Employment and Support Allowance (ESA) and are in the work-related activity group (WRAG), or
- receiving Universal Credit because they are unemployed, and mandated (required) to undertake skills training

194.6. At your discretion (this relates to the learner and not the type of benefit they are receiving), individuals aged 19 to 23 on the day they start learning aims up to level 3 and individuals aged 24 or older on the day they start learning aims (including units) up to level 2 who:

- are unemployed
- are receiving any state benefits not listed above (including those on Universal Credit who are not mandated to undertake skills training)
- want to enter employment and believe skills training will help them to do so, and
- you are satisfied that their learning is directly relevant to both the individual's employment prospects and the needs of the local labour market

194.7. Individuals aged 24 or older on the day they start their first full level 2 or first full level 3 qualification (excluding apprenticeships), and who have:

- left the British armed forces in the past 10 years after completing four or more years of service, or
- been medically discharged from the British armed forces due to an injury in active service, after completing basic training

194.8. Learners aged 25 or older at the start of the funding year (see note 1 below), who have an Education Health and Care (EHC) plan, and all of the following apply.

- The learner has not completed the learning programme set out in their EHC plan as meeting their needs, because of an unavoidable delay in the learner beginning the programme, before reaching their 25th birthday.
- The learner is placed with a training organisation and they have an EHC plan which confirmed that the learner's needs could only be met by that training organisation. And
- The learner will continue to make progress on the programme.

## **Co-funding**

195. The following individuals are entitled to co-funding for their learning unless they qualify for full funding.

195.1. Individuals aged 19 or older on the day they start:

- intermediate-level apprenticeships
- advanced-level apprenticeships
- higher apprenticeships at levels 4, 5 and 6 for their non-prescribed higher education learning aims
- ESOL learning aims delivered through classroom learning

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Note 1: This does not apply to those learners who reach the age of 25 during the 2015 to 2016 funding year, as these will continue to be funded by the Education Funding Agency. This does not affect our legal responsibilities for these learners.



195.2. Individuals aged 19 to 23 on the day they start:

- entry-level, level 1 and level 2 learning aims (excluding English, maths or ESOL) delivered through classroom learning where they have previously attained a full level 2 or above
- vocational entry-level and level 1 learning aims (excluding English, maths or ESOL) delivered through workplace learning where they have previously attained a full level 2 or above
- full level 2 qualifications delivered through workplace learning, where the learner is employed by a small or medium-sized enterprise (SME) and where they have previously attained a full level 2 or above
- full level 3 qualifications delivered through classroom learning where they have previously attained a full level 3 or above
- level 3 learning aims which are not classed as full, delivered through classroom learning, or
- level 4 qualifications (30 credits or more) delivered through classroom learning where they have previously attained a full level 3 or above

195.3. Individuals aged 24 or older on the day they start:

- entry-level, level 1 and level 2 learning aims (not English or maths or ESOL) delivered through classroom learning
- full level 2 qualifications delivered through workplace learning, where the learner is employed by an SME

### **No funding**

196. Individuals not specified in the full-funding and co-funding sections above will not be eligible to be funded through the adult skills budget. This includes:

196.1. individuals on the day they start:

- prescribed higher education aims
- non-prescribed higher education aims above level 4 which are not part of an apprenticeship
- intermediate-level apprenticeships where they have previously attained a level 4 or above

- advanced-level apprenticeships where they have previously attained a level 4 or above, or
- higher-level apprenticeships at level 4 where they have previously attained a level 4 or above

196.2. individuals aged 16 to 18 on the day they start an apprenticeship with a planned duration of less than one year

196.3. individuals aged 16 to 24 on the day they start a traineeship where they have previously attained a full level 3 or above

196.4. individuals aged 19 or older on the day they start:

- an apprenticeship with a planned duration of less than one year where they do not have accredited or recognised prior learning
- an apprenticeship with a planned duration of less than six months where they have accredited or recognised prior learning
- ESOL delivered through workplace learning
- English or maths learning aims where they currently have GCSE grades A\* to C and are not on an apprenticeship, or
- English or maths aims, which are not part of an apprenticeship, and are at the same level or below that at which they have been assessed

196.5. individuals aged 19 to 23, who have previously attained a full level 2 or above, on the day they start:

- non-vocational entry-level or level 1 learning aims delivered through workplace learning
- level 2 learning aims, which are not classed as full, delivered through workplace learning, or
- full level 2 qualifications delivered through workplace learning, where the individual is employed by an employer not classed as an SME

196.6. individuals aged 19 to 23 on the day they start:

- level 3 learning aims which are not classed as full, delivered through workplace learning, or
- their first level 4 learning qualification ( fewer than 30 credits) without having achieved a first full level 3 qualification

196.7. individuals aged 19 to 23 who have previously attained a full level 3 or above on the day they start:

- level 4 qualifications ( fewer than 30 credits) delivered through classroom learning.
- level 4 qualifications (30 credits or more) delivered through workplace learning

196.8. individuals aged 19 to 24 who are subject to an Education, Health and Care plan (these individuals are the responsibility of the EFA)

196.9. individuals aged 24 or older on the day they start:

- entry-level or level 1 learning aims (not English or maths) delivered through workplace learning
- level 2 learning aims, which are not classed as full, delivered through workplace learning, or
- full level 2 qualifications delivered through workplace learning, where the individual is employed by an employer not classed as an SME

196.10. individuals aged 24 or older on the day they start learning aims at level 3 or above who are not:

- a trade union worker on the day they start TUC learning aims
- individuals who left the British armed forces in the past 10 years after completing four or more years of service
- individuals who have been medically discharged from the British armed forces due to an injury in active service, after completing basic training
- starting a higher or advanced apprenticeship, or
- undertaking learning which they were unable to complete or start under their EHC plan by the age of 25

Learners outside of the categories listed may be able to apply for a Loan for qualifications at levels 3 and 4.

## Programmes within the adult skills budget

The rules for all programmes funded through the adult skills budget are set out here.

### Level 3 Early Years Educator qualifications

197. For the rules on apprenticeships in the early years education and childcare sector, please see paragraph 309.
198. To be eligible for funding for level 3 early years educator learning aims, learners must have achieved GCSE English and maths at grade C or above, or the equivalents listed below, before enrolling. This also applies where a learner is funded through a Loan.
199. There is no time limit on when the GCSE or the following qualifications were achieved.
- 199.1. UK-recognised predecessor qualifications: 'O' Level grades A to C or CSE Grade 1.
  - 199.2. recognised Scottish, Northern Irish and Welsh equivalents
  - 199.3. AS and A-levels.
  - 199.4. international qualifications defined by UK NARIC (see note 2 below) as meeting GCSE A\* to C.
200. We will not accept the use of equivalency tests.
201. The learning aims that this requirement applies to will be flagged in LARS.
202. You must record the learner's prior achievement of GCSE grade A\* to C in both English and maths in the learning agreement before the start of learning.

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Note 2: UK NARIC is the national agency responsible for providing information, advice and expert opinion on qualifications worldwide.

## **Work placement or work experience**

203. We will only fund work placement or work experience as part of:

203.1. a traineeship

203.2. the Prince's Trust Team programme, or

203.3. a continuing study programme, where responsibility for funding transfers from the EFA to us when the learner is 19

## **Non-regulated provision**

When we fund vocational learning (outside of apprenticeships) we focus on qualifications because they give learners access to nationally recognised and transferable achievement.

Outside of vocational learning we recognise that a qualification may not always be the most appropriate offer. We will continue to fund non-regulated provision when it:

- is of high quality
- is in the best interests of the learner
- supports progression to a meaningful outcome, including preparing for and entering employment

Non-regulated provision may be designed, delivered and, in some cases, certificated by a provider.

You may use a combination of regulated qualifications and non-regulated provision for learners with learning difficulties and / or disabilities (LLDD), learners re-engaging with learning, learners seeking employment and ESOL.

204. Non-regulated provision eligible for funding in 2015 to 2016 must be one of the following.

204.1. Provision for learners with learning difficulties or disabilities as part of a personalised learning programme.

204.2. Provision for English for Speakers of Other Languages (ESOL), where there is no appropriate regulated qualification available.

204.3. Provision in the area of Preparation for Work.

204.4. Provision to support learners re-engaging in learning and who are progressing to a full level 2 qualification.

205. For any non-regulated provision we fund, you must:

205.1. apply the [Recognising and Recording Progression and Achievement \(RARPA\) standards](#) and keep the necessary evidence within each learning agreement, and

205.2. provide the learner with a clear record of their achievement; this can be in the form of a certificate

## Using the innovation code

The innovation code (the Code) allows colleges and training organisations to respond quickly to local employers' needs and gaps where there is currently no appropriate qualification to meet the skills needed. It allows you to enrol individuals on a course that does not currently lead to a qualification, but would fit eligibility criteria for funding once there is a valid qualification to recognise the learning.

The Code consists of a range of learning-aim references, which colleges and training organisations can use on their ILR returns to claim funding so they can deliver provision.

There is no formal application process to use the Code, and you do not need to ask our permission.

You must deliver the Code within your existing funding allocation.

For more information on using the Code, please see the [Code guidance](#). We will issue updated documents for 2015 to 2016 in May 2015.

206. Any provision you deliver through the Code must be designed to respond to local employer and learner needs, or to respond to identified employment opportunities.

207. Before using the Code, you must check to make sure there is not already a valid qualification available for the learning. If there is and the

qualification is funded, you should enrol the learner on that qualification. If there is a qualification but we do not fund it, you must not use the Code as you would be delivering provision which we do not fund.

208. Provision delivered through the Code should become available nationally and be capable of being developed into a valid qualification. You must work with an Ofqual-regulated awarding organisation to support this. It is for you to decide when and how you involve an awarding organisation to arrange for a qualification to be developed to recognise the learning that has taken place and the achievement gained.
209. You must not deliver provision through the Code that, once recognised as a qualification, would clearly not be eligible for funding. We publish our rules on approving qualifications, and you must use this to check whether the provision could be funded as a qualification. For more information please see our [Technical Guidance](#) for awarding organisations.
210. Any learners you enrol on a course using the Code must be eligible for adult skills budget funding, and must also be entitled to the funding for the size and type of provision you are enrolling them on. For more information, please see the separate Code guidance.
211. You can use the Code for both employed and unemployed learners. If you use the Code for unemployed learners, this must be to help them move into employment.
212. You must not use the Code to deliver all or part of an apprenticeship framework.
213. If a subcontractor wants to use the Code, they must get permission in writing from the lead provider, and the lead provider should monitor delivery. The subcontractor must already be delivering either adult skills budget or OLASS provision on behalf of a lead provider.
214. The Code can be used for new or existing provision. If the provision already exists then the following criteria applies.
  - 214.1. The provision must not be a non-regulated version of an existing unit, part-, or whole qualification.
  - 214.2. The provision must not lead to a qualification listed in LARS, as this will have already been considered for public funding (see paragraph 207 above).
  - 214.3. The provision must not have already had public funding removed from it.
  - 214.4. The Code must not be used to replace employer funding. In other words, if an employer is already paying for a course to be run for

their employees, you cannot use the Code to fund the course for those learners.

- 215. You cannot use funding claimed through the Code to pay the development costs of colleges and training organisations, employers or awarding organisations associated with creating a qualification.
- 216. Provision delivered through the Code is not eligible for funding through a Loan.
- 217. You cannot use the Code to deliver provision that is at:
  - 217.1. level 5 or above, or
  - 217.2. level 3 or above for learners aged 24 or older at the start of their learning

## English and maths

This refers to English language and maths qualifications and units that help learners to progress towards and achieve a GCSE grade A\* to C qualification or Functional Skill up to level 2. The suite of fully funded learning aims defined as English and maths, including those that help with progressing to GCSE, are set out in the [Qualifications Information Guide](#).

- 218. Learners aged 19 and over, excluding apprentices, are eligible for full funding to take GCSE English and maths (including iGCSE; for more details on iGCSEs please see the [Qualifications Information Guide](#)) if they do not currently have these qualifications at grades A\* to C, no matter what other qualifications they already hold. If a learner wants to 'retake' their GCSE English and maths because they did not achieve an A\* to C grade, we will not fund the learner to just resit the exam.
- 219. When designing an English or maths learning programme, you must not enrol learners on qualifications or units which are not necessary for progressing towards a GCSE.
- 220. Learners (excluding apprentices – see paragraphs 303 to 308) must be enrolled on a level of learning in English and maths that is beyond that to which they are assessed. For example, if a learner is assessed as being at entry level 3 they must be enrolled on at least a level-1 qualification. Learners must not simply be accredited for knowledge they already have.



221. You must:

221.1. carry out a thorough initial assessment to determine the level at which the learner is currently working so you can decide which level they will enrol onto

221.2. carry out an appropriate diagnostic assessment to inform and structure a learner's Learning Agreement to use as a basis for a programme of study

221.3. deliver ongoing assessment

221.4. record all outcomes in the Learning Agreement

222. You must use up-to-date assessment tools that are based on the National Literacy and Numeracy Standards and core curriculum. The tools must:

222.1. place a learner's current skills levels within Ofqual-regulated levels

222.2. be administered by suitably qualified individuals including, for the diagnostic assessment, a practitioner who will structure the learner's programme of study

## **English for Speakers of Other Languages (ESOL)**

English language skills are essential in the community and for success in the job market. Learners who are not proficient in the use of English as their first language are expected to undertake ESOL learning which improves their prospects of getting a job and enables them to progress to a GCSE grade A\* to C in English language or Functional Skill (English) at level 2.

The learning aims defined as ESOL are set out in the [Qualifications Information Guide](#).

223. When designing an English learning programme, you must not enrol learners on qualifications or units which are not necessary for them to progress to a GCSE in English language or Functional Skill level 2.

224. The rules relating to assessment and enrolment, as set out in paragraphs 220 to 222 above, apply to ESOL provision.

## Prince's Trust Team Programme

The Prince's Trust Team Programme is for 16- to 25- year-olds. It is a 12-week course designed to improve confidence, motivation and skills. Each 'team' recruits a mix of 16- to 25- year-olds of different abilities and backgrounds, including employees sponsored by their employers.

The 'teams' are funded by us but are run and managed locally by providers in partnership with the Prince's Trust.

225. You can only deliver the Prince's Trust Team programme where you, and/or your subcontractor, have been authorised to do so by the Prince's Trust.

## Job outcome payments

Job outcome payments are in place to reduce the disincentive for you to take on unemployed learners, including those on a traineeship, who may leave the course early to take up a job.

They do this by paying 50% of the achievement funding (achievement funding is 20% of the funding rate) if a learner leaves training without achieving the qualification, but gains a job outcome. The payment of job outcome payments within traineeships is detailed within the traineeships section of the rules.

Job outcome payments are built into the earnings method.

226. To receive a job outcome payment, the job obtained by the learner must last 16 hours or more a week for at least four consecutive weeks.
227. A job outcome payment will be made if a learner gets a job but continues in learning. If the learner then achieves the learning aim, we will pay the remaining 50% of the achievement funding.
228. A learner can claim a job outcome payment if they are taking part in DWP's Work Programme as well as being funded by us. This would not be considered to be duplicate funding.
229. Job outcome payments do not apply to any learning aims of learners funded through a Loan.

230. Job outcome payments can be claimed for learners who, when starting learning were:

230.1. receiving Jobseeker's Allowance

230.2. in the Work-Related Activity Group for receiving Employment and Support Allowance

230.3. receiving Universal Credit and mandated (required) to undertake skills training,

230.4. on a traineeship

230.5. unemployed and on a wider state benefit

231. For learners on benefits detailed in paragraphs 230.1 to 230.3, you must receive a declaration from the learner that they have stopped claiming benefits relating to unemployment and have started work to claim a job outcome payment.

232. To claim a job outcome payment for a learner covered by paragraphs 230.4 or 230.5, you must receive a declaration from the learner that they have started a job meeting the requirements outlined in paragraph 226.

233. Job outcome payments must be reported in the 'Employment outcome' field of the ILR for the year in which the learner leaves learning.

234. To generate a job outcome payment:

234.1. the learning aim must not be classified as 'workplace learning' in the ILR

234.2. a benefit status indicator must be reported in the 'Employment status monitoring' fields in the ILR (if appropriate) (this does not apply to traineeships)

234.3. the 'Employment outcome' field in the ILR must be completed

## **Using the adult skills budget for offenders in public prisons**

The OLASS budget can only be used for adults in custody, so it is important to make the best use of this budget before using the adult skills budget.

235. If you receive adult skills budget funding, you can, in exceptional circumstances, use it to deliver provision to learners in custody. Using this budget in this way must complement, and not duplicate or compete with, provision funded by the Offenders' Learning and Skills Service (OLASS).
236. If you want to use adult skills budget funding to deliver provision to those in custody, you must have written agreement from the OLASS governance board for the relevant prison.
237. If you are using your adult skills budget with offenders in custody, you must keep to all adult skills budget eligibility and contribution requirements.

### **Using the adult skills budget for offenders in private prisons**

238. There are a number of contracted-out (private) prisons which are run by private companies. Of these, only five are funded through OLASS (Thameside, Doncaster, Oakwood, Northumberland and Birmingham). The rules in paragraphs 235 to 237 apply in these establishments and any others that move to OLASS funding.
239. The other private prisons are given a budget, from the Ministry of Justice, which includes an element for education. Prisons must make best use of this funding before using other sources of public funding (including the adult skills budget).

### **Breaks in learning**

240. If a learner or apprentice cannot carry on with the learning they started, but wants to return at a later date to resume, they will be able to take a break in their learning. This allows you and the learner or apprentice to suspend their learning, allowing them to return without affecting their eligibility. We will exclude learners on a break in learning from the success rate calculation.
241. The learner must confirm to you that they want to return to learning when the learning is suspended. If you do not have this confirmation then the learner must be reported to us as withdrawn.
242. You must not record a break in learning for short-term absences, such as holidays.
243. We will stop funding a learner or apprentice during a break in learning.

244. To show that a learner or apprentice is on a break, you must report code 6 – ‘learner has temporarily withdrawn from the aim due to an agreed break in learning’ – in the ‘Completion status’ field of the ILR.
245. When the learner returns you must report in the ILR:
- 245.1. the ‘Original learning start date’ field
  - 245.2. code RES1 in the ‘Learning Delivery Funding and Monitoring’ fields of the ILR
  - 245.3. the ‘Funding adjustment for prior learning’ field to amend the funding that you are claiming
- This is important for apprentices in meeting the minimum duration requirement.
246. You must base the ‘Funding adjustment for prior learning field’ on the difference in time the learner has already spent on the original learning aim compared to the original planned duration.
247. If the learning aim that the learner was following is no longer valid when they return (in other words, they could no longer be certificated), you must not class this as a break in learning. This limits the length of time that a learner can have a break in learning.
248. For more information on how to report breaks in learning in the ILR, see the [ILR Provider Support Manual](#).

## **Evidence required**

- Learning Agreement (see paragraphs 130 to 136).
- Paragraph 198 – Evidence of the learner’s prior achievement of GCSE grade A\* to C (or equivalent) in English and maths. This must be a copy of the certificate from the awarding organisation or a record in the PLR that shows this requirement has been met. This requirement also applies where learners are funding Early Years Educator training through a Loan.
- Paragraph 205.1 – You must record evidence in the Learning Agreement that RARPA standards have been applied.
- Paragraph 205.2 – You must keep evidence of achievement or that a certificate of achievement has been issued to a learner when they complete a period of non-regulated provision.

- Paragraph 220 – In the Learning Agreement you must record the enrolment of the learner on a learning aim at a level that is beyond that to which they are assessed.
- Paragraph 221 – You must keep evidence that you have assessed all learners before, or as soon as, they start learning. In the Learning Agreement you must record the outcomes of all assessments.
- Paragraph 221 – You must record, in a format that is available for review, all initial English and maths assessment outcomes and the resulting enrolments for learning aims.
- Paragraph 225 – You must have authorisation from the Prince's Trust in order to claim funding for the Prince's Trust Team Programme.
- Paragraph 236 – You must have a written agreement from the relevant OLASS governance board for provision delivered using the adult skills budget.

## Apprenticeships

This section sets out the principles behind the funding rules that apply to apprenticeships that we fund.

Funding Rules for apprenticeship Trailblazers are different and can be found on our [website](#).

249. We will only fund apprenticeships that are for a job with an accompanying skills development programme, and are designed by employers in the sector.

250. To receive funding for an apprenticeship you must:

250.1. be satisfied that for all apprentices this is the most appropriate learning programme and that they are carrying out:

- a new job role, or
- an existing job role, where the individual needs significant new knowledge and skills

250.2. make sure that the job allows the apprentice to gain the wider employment experience as part of the apprenticeship

250.3. advertise new apprenticeship vacancies on the Apprenticeship vacancies (AV) website. (New apprenticeships are job opportunities where the employer is looking to recruit someone to do an apprenticeship. If an apprenticeship is taken up by someone already working at the company, they do not need to be posted on AV.)

250.4. complete the advert on the AV website once the vacancy has been filled

### Apprenticeship eligibility

251. An individual cannot start an apprenticeship we are funding until after the last Friday in June in the academic year (1 September to 31 August) that they become 16 years of age, usually known as Year 11.

252. For each apprentice, we will only fund a single apprenticeship framework at any one time. This means that if an apprentice wants to progress onto another framework, they must complete the previous apprenticeship first.

- 253. We fund only those aims identified in the apprenticeship framework as 'mandatory'.
- 254. The apprenticeship must include guided learning, assessment, training and monitored workplace practice, planned and agreed between the apprentice, their employer and you.
- 255. Apprenticeship funding supports individuals to progress to higher levels of learning. Individuals who already have a qualification at level 4 or above are only eligible for funding for a higher apprenticeship at level 5 or above. They are not eligible for funding for an intermediate level, advanced level or level 4 higher apprenticeship.
- 256. We will not fund an apprenticeship delivered only by distance learning. Online and other blended learning activity can be included in the delivery of an apprenticeship, if it contributes to the apprenticeship framework and is appropriate.

## **Apprenticeship agreement**

- 257. An apprenticeship agreement between an employer and apprentice is required at the start of the apprenticeship for all new apprentices, and must be in place for the entire length of the apprenticeship. A completion certificate cannot be issued if one is not in place.
- 258. The apprenticeship agreement must state that the apprentice will be carrying out an apprenticeship in a particular skill, trade or occupation under a qualifying apprenticeship framework.
- 259. The apprenticeship agreement can be in the form of a written statement of particulars under the Employment Rights Act 1996. Alternatively, it can be a contract of employment or a letter of engagement where the employer's duty under the 1996 Act meet the requirement.
- 260. Contracts of employment that meet the 1996 Act will also meet the requirements of the apprenticeship agreement if they include a statement that the apprentice is being trained in a skill, trade or occupation linked to a relevant recognised English apprenticeship framework.

## **Employment**

- 261. All apprentices must be employed at the start of the first day of their apprenticeship. This excludes self-employed individuals. The only exceptions are apprentices in certain occupations that are covered by



the 'alternative completion conditions' (see paragraphs 273 and 274) agreed by government.

- 262. An individual who has a 'contract of employment' is 'employed'.
- 263. Employers must pay at least the relevant National Minimum Wage set by government. You can find further information on the [GOV.UK website](#).
- 264. You must not directly employ apprentices to only deliver an apprenticeship. The exception to this is where employment is through a recognised apprenticeship training agency (ATA), which must operate within our [ATA framework](#) and keep to the ATA Recognition Process and Guidance and other conditions as set out on the [Apprenticeships website](#).
- 265. You must be able to prove that you are not using our funding to pay apprentices' wages.
- 266. If an employed apprentice becomes self-employed during the apprenticeship, this will make their apprenticeship and funding ineligible at that point unless this falls within the alternative completion conditions that apply to redundancy.

### **Apprenticeship training agency (ATA)**

- 267. If an organisation operates as an ATA, for example, their main business is employing apprentices who are made available to employers for a fee, they must clearly identify themselves as such.
- 268. If you are receiving funding, and operate an ATA, you must set this up as a distinct business so that apprentices are contracted employees of the ATA and not you.
- 269. You must not use funds intended to deliver training to pay apprentices' wages.
- 270. In the ILR you must report that the apprentice is employed by an ATA. For how to do this, please refer to the ILR [provider support manual](#).
- 271. To protect the quality of apprenticeship provision, you must only contract with our recognised ATAs. Please see the latest version of the [ATA framework](#).
- 272. Group training associations (GTAs) that offer an ATA service to employers must follow ATA-specific rules.

## **Alternative completion conditions**

273. In the following circumstances, apprentices do not need to be employed under an apprenticeship agreement.

273.1. Apprentices who are made redundant through no fault of their own, up to six months before the planned end date of their apprenticeship.

273.2. Occupations or frameworks where self-employment or working other than for reward is normal within the sector, but where the apprentice will get a quality experience. The defined list of these is in Annex 2.

273.3. Apprentices who are carrying out the advanced-level apprenticeship in sporting excellence (AASE) in sports designated for Olympic, Paralympic and Commonwealth Games (see Annex 2).

274. For AASE above, you must:

274.1. have endorsement that each AASE apprentice has been identified by the relevant national governing body (NGB) as having the potential to compete at games level and be included in the number of AASE apprenticeships agreed between the NGB and us for the funding year

274.2. hold this endorsement in the learning agreement for the apprentice; If you do not have this supporting endorsement, the individual is ineligible to be funded

## **Employment hours**

275. As well as paying at least the National Minimum Wage you must:

275.1. make sure that apprentices are employed for at least 30 hours a week (they are not allowed to be employed for fewer than 16 hours a week in any circumstances)

275.2. agree the average hours the apprentice will be 'at work' with the employer, defined using a contracted number of hours every week. You must record these in the Learning Agreement, and you, the employer and the apprentice must agree to these hours that will include study

275.3. make sure the apprentice spends a substantial percentage of their apprenticeship doing the job they are developing a skill in

- 275.4. make sure the apprentice is paid for the hours they work and the hours they study
276. Apprenticeships where the apprentice is working and studying for fewer than a combined total of 30 hours a week should be by exception only and, you must:
- 276.1. make sure that the apprentice is working for at least 16 hours a week
- 276.2. record the proposed average number of hours each week
- 276.3. keep a record of why the reduction in hours is appropriate. This will be due to the apprentice's personal situation or because the industry or job role in which they are employed does not always offer the possibility of a 30-hour working week
- 276.4. extend the minimum duration in learning by a corresponding percentage. For example, the usual minimum planned delivery time is a 12-month apprenticeship with 30 hours a week spent with the employer. If the apprentice only works 20 hours a week, the end date must be extended by 50% – so, the apprentice must be in learning for at least 18 months
277. 'Zero-hour' contracts, not specifying a set number of working hours, will be accepted for apprenticeships only if there is a contract of employment between the apprentice and the employer and it meets the requirements in paragraph 276.
278. The number of hours worked each week and the pattern of working hours may vary, but there must be an agreement between the employer and the apprentice to complete the apprenticeship within the hours worked.
279. Apprentices with an irregular working pattern, as well as those on 'zero-hour' contracts, must use a four-week rolling average to make sure they keep to the employment hours set out in these funding rules (paragraphs 275 to 276).
280. If the four-week rolling average over four weeks falls below 16 hours then the apprenticeship must be put on hold until working hours meet this requirement. The apprenticeship cannot be resumed until the apprentice is working an average of 16 hours each week or more.
281. You must:
- 281.1. make sure that the apprentice can complete all elements of the framework within their contracted hours

- 281.2. make clear the planned length of the apprenticeship and average working-hour pattern when advertising a vacancy on the AV website, if that vacancy is listed as having fewer than 30 hours
282. We will consider removing funding from you as part of the performance-management process, if you carry out large numbers of apprenticeships inappropriately, for example splitting a full-time vacancy into two vacancies.

## **Recognition of prior learning**

283. You must assess each apprentice, record their prior learning on the learning agreement and, where this reduces the amount of learning for a learning aim, report this in the 'Funding adjustment for prior learning' field of the ILR. You must base the value of the figure used in the 'Funding adjustment for prior learning' field on a reduction in time needed to deliver the learning aim. This is different to the way in which this field is used in other adult skills budget provision.
284. We do not fund learning aims where only assessment is needed to achieve a qualification.
285. A significant amount of new learning and workplace practice must be involved in all apprenticeships.
286. You must only enrol apprentices who will clearly benefit from the new skills gained as a result of the apprenticeship.

## **Apprenticeship duration**

287. The minimum duration of all apprenticeships is one year. The apprentice must be in learning on the anniversary of the date they started the apprenticeship.
288. If the Specification for Apprenticeship Standards in England (SASE) Framework states a longer duration, that longer duration will apply and must be substituted in the funding rules for the minimum duration of apprenticeships.
289. The only exception to the one-year minimum duration is for apprentices aged 19 years or older on the day the apprenticeship starts and where not all elements of the framework are delivered. This could be because of Recognition of Prior Learning (RPL) or previously certificated achievement, and that part or all of the funding for a qualification is reduced.

- 289.1. This only applies to the regulated qualifications as specified in the SASE framework documents. Even when a reduction in funding is made, the minimum length of the apprenticeship is six months.
290. You must not assume a one-year minimum as apprenticeships will often take longer.
291. You must not claim achievement of the apprenticeship on the ILR or an Apprenticeship Completion Certificate from Apprenticeship Certificates England (ACE) if the apprentice has been in learning for less than one year or six months if the exemption applies.
292. However, the apprentice, after achieving all mandatory qualifications, can stay in learning until they meet the minimum duration. During this time, they will, in their workplace, use and embed the skills they have gained during learning. You must make sure that throughout the apprenticeship, the apprentice is involved in active learning or monitored workplace practice.
293. An apprentice cannot progress onto another apprenticeship until they have completed and achieved, or left, their current apprenticeship framework.
294. We will not fund an apprenticeship if the planned duration of the framework, calculated from the learning start date and the learning planned end date, is less than one year. If the exception described at paragraph 289 above applies, the planned duration of the framework must be at least six months.

### **Transfers and breaks in learning and minimum duration**

295. If an apprentice transfers between providers, or returns after a break in learning you must make sure that the total cumulative amount of time spent on their apprenticeship meets the minimum duration funding rule.
296. For an apprentice to be treated as a transfer or a break in learning they must continue on the same apprenticeship framework and pathway that they originally started. If this does not apply, then this would be a new apprenticeship and must meet the minimum duration rule.
297. You must be able to evidence that the total cumulative amount of learning is not less than the minimum duration for the continued apprenticeship. If you cannot evidence this then the apprentice must remain in learning until they do meet the minimum duration.

## Completion and achievement of an apprenticeship framework

298. The apprenticeship framework is considered to be achieved (and can be reported as achieved in the ILR 'Outcome' field) when the apprentice and you confirm all mandatory elements of the apprenticeship have been completed and the minimum duration rule has been met. This includes all the requirements set out in the SASE framework.
299. You have up to three months, following the end of all learning, to complete the process of applying for an apprenticeship completion certificate, sort out any queries, receive and keep a copy from [Apprenticeship Certificates England](#) (ACE). You must not ask the apprentice to confirm achievement of the apprenticeship before you know any outcomes of learning aims.
300. If after three months you have not received the apprenticeship completion certificate from ACE, you must update the 'Outcome' field of the ILR to show that the apprenticeship has not been achieved.
301. If you subsequently receive the apprenticeship completion certificate you may be able to claim an achievement at that point.
302. You must pass on all apprenticeship completion certificates to the apprentice.

## English and maths

Specific English and maths requirements, including entry requirements are set out in the apprenticeship framework. Entry requirements are usually level 1 or level 2 English and maths. The rules below set out criteria in addition to the framework.

303. For all apprentices who start their intermediate-level apprenticeship on or after 1 August 2014:
- 303.1. if, before they start, they already have a level 2 that meets the minimum requirement of the apprenticeship framework in either English or maths (or both) then they are exempt from taking English or maths (or both)
  - 303.2. if, before they start, the apprentice already has a level 1 in either English or maths (or both) that meets the minimum requirement of the apprenticeship framework they must start and continue to take part in level-2 English and maths

303.3. if, before they start, the apprentice does not have the level 1 in English or maths (or both) that meets the minimum requirement of the apprenticeship framework:

- they must be offered level 2 functional skills or GCSE qualifications in English or maths (or both)
- they must achieve the English and maths requirements set out by the framework

303.4. if they achieve level 1 in English or maths (or both) during their apprenticeship you must offer them level-2 Functional Skills or GCSE qualifications in English or maths (or both)

304. You must record the offer of level 2 in English or maths (or both) during an apprenticeship in the learning agreement. Only where the apprentice does not take up the offer will you need to have evidence of this.

305. Where an apprentice takes up the offer to study at level 2 in English or maths (or both) where they already have qualifications that meet the requirements of the apprenticeship framework, they will not need to have achieved these qualifications before framework achievement can be claimed.

306. The funding for all English and maths provision delivered as part of an apprenticeship must be reported as an apprenticeship learning aim in the ILR, including level-2 learning in an intermediate-level apprenticeship.

307. Where you claim funding for level 1 in English or maths (or both) you cannot claim funding for level 2 in English or maths (or both) unless either or both level 1 in English or maths has been achieved.

308. You must not claim funding for level 1 in English or maths in an apprenticeship where the mandatory requirement of the apprenticeship framework is at level 2. This includes those apprenticeship frameworks where the minimum requirement is at GCSE at grade C or above.

## **Early Years Educator training**

309. From 1 August 2015, an individual wanting to follow an advanced-level apprenticeship in Children and Young People's Workforce must have achieved the minimum in English and maths required by the apprenticeship framework before the apprenticeship can start.

## **Second apprenticeships at the same or a lower level**

310. Apprentices who have successfully completed an apprenticeship at any level are not expected to start a second apprenticeship at the same or lower level. Apprentices will be expected to progress to a higher level.

311. In certain circumstances, apprentices may need to be multi-skilled. We will permit an apprenticeship at the same or lower level if the apprenticeship framework is:

311.1. occupationally relevant to the apprentice, and

311.2. materially different to any apprenticeship already achieved

312. In these instances you must record that the repeat or lower-level apprenticeship is supporting the apprentice in an extended job role.

### **Apprenticeship Grant for Employers of 16- to 24- year-olds (AGE)**

313. You must refer to the eligibility criteria set out in the [AGE Training Organisation Fact Sheet](#) and in the provider's AGE Funding Appendix.

314. You must:

314.1. obtain a declaration from the employer that confirms details of their eligibility and that they understand the conditions under which the grant is being paid

314.2. pass on to the employer the AGE payment within 30 working days of getting the grant from us

315. You must report in the ILR the Employer Reference Number (ERN) for the employer who will receive the grant and report the Learning Delivery Monitoring code applicable for AGE in the ILR.

### **Enhanced funding for apprentices aged 19 to 23**

316. A person who has not been available to enter learning before their 19th birthday, due to circumstances beyond their control, will be fully funded, as long as they start an apprenticeship before their 24th birthday. You must contact our Central Delivery Service if you are not sure whether this applies.

317. An apprentice, as described in paragraph 316, will not be entitled to full funding if, since leaving full-time compulsory education and the proposed start date of their Apprenticeship, they have:

317.1. not been living in England

317.2. been in education, for example in a school sixth form, a further education college or training organisation, or



317.3. been on Entry to Employment (E2E), work-based learning, Train to Gain, a traineeship or an apprenticeship

### **Advanced apprenticeships in Sporting Excellence (AASE)**

318. We and the EFA will continue to support students and apprentices on an advanced-level apprenticeship in Sporting Excellence if they are also engaged in other full- or part-time funded studies. This includes those who are described in the EFA's Funding Regulations as being on a full-time study programme (that is, more than 540 timetabled hours a year). This clarification does not apply to any other apprenticeship framework.

### **Evidence required**

- Learning Agreement (see paragraphs 130 to 136).
- Paragraph 276.4 and paragraphs 277 to 279 – If the working hours of the apprentice vary from week to week, you must make sure that you meet the minimum length of the framework. This includes increases and reductions in hours where the minimum length of the apprenticeship is extended as necessary. You must not change the 'Learning planned end date' field of the ILR but you must record the change in the learning agreement and this alteration will be reflected in the 'Learning actual end date' field of the ILR.
- Paragraph 292 – If no formal teaching or learning is taking place and the apprentice is involved in workplace practice, there must be evidence of being in learning. This could include a self-declaration from the apprentice.
- Paragraph 295 – For a break in learning, the apprentice's learning agreement must show previous learning. For apprentices that transfer, you must have evidence that shows the time they have already spent on the apprenticeship and that the total length will meet the minimum requirements.
- Paragraph 304 – Evidence that you have offered the apprentice the opportunity to study level 2 in English or maths (or both) during an apprenticeship and the apprentice has declined to do so.
- Paragraph 316 – Evidence, from an authoritative source (for example a local authority or probation service) setting out the reasons why the learner has not been able to enter learning before their 19th birthday due to circumstances beyond their control.

## Traineeships

The traineeship programme helps unemployed young people to develop the necessary skills and experience to progress to an apprenticeship or sustainable work.

The funding rules for traineeships for 16- to 18-year-olds are based on the EFA's funding method. If you deliver to this age group, you must also refer to the EFA's:

- [funding guidance for young people 2014 to 2015: Funding regulations](#)
- [funding guidance for young people 2014 to 2015: Funding rates and formula](#)
- [16-19 Bursary Fund Guide for 2014 to 2015](#)

We will update the references to the EFA's funding guidance for 2015 to 2016 when they become available.

Traineeships for 19- to 24-year-olds use our funding system and funding rules.

## Provider eligibility and contracting

319. We will fund traineeships for 19- to 24-year-olds where you are eligible and also 16- to 18-year-olds where you are eligible and where you do not have a funding agreement in place with the EFA.

320. You will not be eligible to deliver traineeships in 2015 to 2016 if you are under notice:

320.1. from us for failing to meet our post-19 Minimum Levels of Performance threshold

320.2. from the EFA for failing to meet their Minimum Standards

321. If you are not under notice as described in paragraph 320 then you are eligible to deliver traineeships if you:

321.1. have an Ofsted inspection grade of Outstanding (Grade 1) or Good (Grade 2)

321.2. were previously eligible to deliver traineeships due to meeting the requirement set out in paragraph 320, and you started to deliver traineeships, but since then you dropped to an Ofsted grade of Requires Improvement (Grade 3) during delivery

322. You can subcontract traineeship provision to providers that:
- 322.1. you declared on your subcontractor declaration form as of 1 June 2013, and
  - 322.2. have a current Ofsted grade of Outstanding (Grade 1), Good (Grade 2), Requires Improvement (Grade 3) or
  - 322.3. do not have a current Ofsted grade
323. You must not subcontract traineeships to providers, including those that you declared on your subcontractor declaration form as of 1 June 2013, that:
- 323.1. have an Ofsted grade of Inadequate (Grade 4), or
  - 323.2. are under notice for any reason from either the EFA or us
324. If you want to enter into a new subcontracting agreement for traineeships – that is, the subcontractor was not declared by 1 June 2013 – the subcontractor must have a current Ofsted grade of either Grade 1 or 2.
325. If you are eligible to deliver traineeships under 321.2, the following conditions will apply.
- 325.1. You can continue to support existing learners and start new learners on the traineeship programme, but you cannot increase the volume of your 2015 to 2016 delivery above that which you delivered in 2014 to 2015 until you are re-inspected and achieve a Grade 1 or 2. If you did not deliver in 2014 to 2015 and therefore do not have a baseline, we will review each case on an individual basis.
  - 325.2. If you do not improve to a Grade 1 or 2 following your first re-inspection, you will no longer be eligible to deliver traineeships.
326. If you hold Ofsted Grade 1 or 2 and you are also under notice, from either us, or the EFA, for financial health or financial management and control, we will assess you to determine whether we will permit you to deliver traineeships. This includes Notices to Improve issued by the EFA and Notices of Concern or Notices of Breach issued by us.

#### *Traineeships for 16- to 18-year-olds*

327. You must only use the allocation we give you for delivering 16 to 18 traineeships for that purpose. You cannot use your 16 to 18 apprenticeship allocation to deliver traineeships.

## **Learner eligibility**

328. All individuals participating in a traineeship must:

- 328.1. not have achieved a full level-3 qualification or equivalent or above
- 328.2. be unemployed at the start of the traineeship
- 328.3. have little or no work experience and be focused on work or an apprenticeship or the prospect of this and
- 328.4. have been assessed by you as having the potential to be ready for employment or an apprenticeship within six months of starting their traineeship. You must record this in the Learning Agreement

329. As well those who are unemployed, we will allow those who are employed to take part in a traineeship if they work no more than 16 hours a week and earn less than:

- 329.1. 16 times the National Minimum Wage each week, or
- 329.2. £330 a month

330. Learners who are receiving Universal Credit, and are in the Work Preparation Group or the Work Focused Interview Group, are also considered to be 'unemployed' if they are earning less than:

- 330.1. 16 times the National Minimum Wage each week, or
- 330.2. £330 a month

331. We consider offenders released on temporary licence (RoTL) as unemployed and therefore can undertake a traineeship. However, only those offenders from a prison that holds both:

- 331.1. an eligible Ofsted inspection and
- 331.2. has received feedback through Her Majesty's Inspectorate of Prisons inspection that leads us to judge their education and training provision to be 'Outstanding' or 'Good' can undertake a traineeship.

332. We will not fund traineeships through OLASS provision.

### *Traineeships for 16- to 18-year-olds*

333. The young person, in the funding year they start, must be:

333.1. aged 16, 17 or 18 on 31 August, or

333.2. aged 16 or over, but under 25, and have an Education, Health and Care Plan (EHC plan)

334. You must make sure that all 16 to 18 learners are eligible under the EFA's residency requirements as set out in the [EFA's Funding guidance for young people 2014 to 15: Funding regulations](#).

335. A learner aged 16 years cannot start a traineeship until 1 August following the time they finish year 11 in school (or equivalent in other parts of the United Kingdom).

### *Traineeships for 19- to 24-year-olds*

336. The young person must be aged 19 or older on 31 August in the funding year in question, and under 25 at the start of the traineeship and must not have an EHC plan.

## **Traineeship duration**

337. The planned and actual overall minimum duration for a traineeship programme is six weeks.

338. The maximum actual and planned duration of a traineeship is six months.

339. The work-placement, work-preparation and flexible elements must be completed within the duration of the traineeship.

## **Traineeship learning**

340. A traineeship must include the following core elements.

340.1. Work placement.

340.2. Work-preparation training.

340.3. English and maths where necessary (please see paragraphs 353 to 360).

341. Alongside the core elements, providers delivering traineeships can offer other flexible activities as set out in paragraphs 361 to 364.

## **Work placement**

342. The work placement must take place with an employer in a real workplace setting. Simulated work placements, such as in workshops within a provider's premises, or in a prison environment, may form a helpful part of work-preparation training but do not count as work placements for the purposes of traineeships.

343. Work placements provided as part of the traineeship programme must be:

343.1. of high quality

343.2. involve activities that provide a real employment experience

343.3. be tailored to the needs of the learner

343.4. be sufficient for the learner to develop new workplace knowledge, skills and behaviours

344. We expect that you will identify a work placement employer before a young person starts a traineeship or within four weeks of starting. You can start a learner without reporting an employer on their ILR at the start of a traineeship, but this must added as soon as possible.

345. For a 19- to 24-year-old learner the work placement must be for a minimum of 100 planned hours. For a 16- to 18-year-old learner the work placement must be the most substantial element of the programme and you must report the work placement in the ILR as the core aim in a learner's study programme.

346. Where a learner is doing their work placement in a small or medium-sized business, it may be appropriate for them to have a number of separate work placements in different organisations. These must last at least two weeks with each employer and add up to at least 100 hours in total.

347. For learners on a state benefit related to their unemployment, the Department for Work and Pensions (DWP) policy is that work placements can be up to 240 hours (or extended if an offer of an apprenticeship place is accepted) at a maximum of 30 hours a week and these hours can be undertaken over the duration of the traineeship programme.

348. The work-placement employers must offer the learner an interview at the end of each placement. This can be:

- 348.1. a formal interview for a job or apprenticeship vacancy, plus feedback (if the learner is unsuccessful in their interview they should receive written feedback as detailed in 348.2)
  - 348.2. an exit interview, written feedback and evidence of their time and activities during the placement
349. You must report work placements in the ILR using the learning-aim references found in LARS. You must use ones based on the learner's planned hours on a work placement.

## **Work preparation**

350. If the work-preparation training leads to a regulated qualification, the qualification must be offered by an Ofqual-regulated awarding organisation. For 16 to 18-year-olds, it must also be approved on LARS for 16 to 18 funding in the 2015 to 2016 academic year. For post-19 learners it must be approved by us and be on LARS for post-19 funding in the 2015 to 2016 academic year.
351. Work preparation for the learner can also be non-regulated, in which case it should be reported in the ILR using the appropriate codes.
352. For all learners, work-preparation training must be focused on activities that will help the learner to progress to an apprenticeship or, find sustainable employment. You must connect it to the employability needs of the learner and it may cover aspects such as writing CVs, preparing for interviews, searching for jobs and inter-personal and communication skills.

## **English and maths**

353. All learners must be assessed for English and maths. Any learner without a minimum GCSE grade C in English and maths must be supported to progress.

### *Traineeships for 16- to 18-year-olds*

354. There are conditions of funding attached to teaching English and maths qualifications as part of the 16 to 19 study programme. If you are delivering traineeships for 16- to 18-year-olds, you should refer to the [GOV.UK website](https://www.gov.uk) that provides details about the conditions of funding.
355. You must enrol the learner, based on their needs, on one of the following qualifications in English and maths, where necessary.

- 355.1. GCSE or iGCSE.

- 355.2. Entry-level, level-1 or level-2 Functional Skills.
  - 355.3. Foundation intermediate or advanced freestanding maths qualifications.
  - 355.4. English for speakers of other languages (ESOL) qualifications.
356. If the learner has already achieved a Functional Skills qualification at level 2 they must work towards achieving a GCSE grade C or higher.
357. You must encourage learners to consider higher-level provision to those learners who have already achieved a grade C in English or maths, particularly level-3 maths qualifications.

*Traineeships for 19- to 24-year-olds*

358. We fund English and maths in the same way that we do in the adult skills budget. You must follow the same funding rules (as set out in paragraphs 218 to 222). This includes both the assessment and the level of learning that the learner must follow.
359. The learner must start learning on one or more of the regulated English or ESOL qualifications and maths qualifications as set out in the [Qualifications Information Guide](#).
360. We will continue to fund a learner, who does not complete the English and maths elements of the traineeship during their traineeship, until the learner has completed these learning aims.

**Flexible element**

361. Alongside the core elements you can offer additional learning aims which will help the learner to progress to employment.

*Traineeships for 16- to 18-year-olds*

362. You can offer other activities such as appropriate vocational qualifications approved on the [section 96](#) qualifications list, offered by Ofqual-recognised awarding organisations and approved on LARS for 16 to 18 funding in the 2015 to 2016 funding year.

*Traineeships for 19- to 24-year-olds*

363. You can offer other regulated qualifications (including units of qualifications regulated by Ofqual) that are approved by us for funding and will help the learner move into work or remove a barrier to them



entering work, but not work preparation learning aims or work experience aims.

364. We fund flexible elements as individual components within standard adult skills budget arrangements and subject to the learner eligibility and contribution funding rules. You must not report this provision as work preparation or work placement traineeship delivery in the ILR.

## **Traineeship funding**

### *Traineeships for 16- to 18-year-olds*

365. You must report all planned hours for a learner in the ILR. This includes both core and flexible elements. Learners will normally be funded as a part-time study programme, based on the planned hours entered on the appropriate funding rate band. You can find more details on the EFA's national funding rates in the [EFA's Funding guidance for young people 2014 to 2015: Funding rates and formula](#).
366. Where a young person successfully progresses to an apprenticeship, full-time study or a job that meets the Raising of the Participation Age (RPA) requirements, this will be reflected in the EFA's funding method. You can find more details on this in the [EFA's Funding guidance for young people 2014 to 2015: Funding rates and formula](#).

### *Traineeships for 19- to 24-year-olds*

367. Traineeship funding for 19- to 24-year-olds is part of the adult skills budget.
368. From 1 August 2015, a new funding method will be in place for all learners that start a traineeship on or after that date. We have combined the funding for 19- to 24-year-olds for work experience and work preparation components into a single funding rate. You will earn this funding against the traineeship programme aim record reported in the ILR.
369. To claim the single funding rate from 1 August 2015 the learner must undertake both work experience and work preparation.
370. If the learner started before 1 August 2015 and then continued the traineeship after that date, we will fund the learner using the 2014 to 2015 method of separate rates for the work experience and work preparation components.
371. We will review whether your use of the single funding rate for traineeships represents good value for money. If we consider the funding we have provided is significantly more than the cost of the support

provided, we may, after consulting you, reduce the amount of funding we pay you.

## Outcomes

372. For 2015 to 2016 for learners who start on or after 1 August 2015 we will consider as an outcome, if achieved within six months of completing the traineeship, any of the following.

372.1. An apprenticeship start that meets the minimum qualifying days as defined as a start for funding purposes.

372.2. A job, including self-employment, that is for at least:

- 16 hours a week
- eight consecutive weeks

372.3. Further learning that meets the minimum qualifying days as defined as a start for funding purposes and meets the following criteria.

- For 16 to 18 provision, the study of a substantial qualification at levels 2 or 3 (or both), recognised in the [performance tables](#). A substantial qualification is one that is at least 150 guided learning hours (glh).
- For 19- to 24-year-olds, progression will need to be a regulated qualification at level 2 or above that we have approved for funding outside of an apprenticeship. The qualification must be one that is 15 credits or more for qualifications regulated by Ofqual or at least 150 glh.
- English and maths qualifications where the learner has already achieved an English and maths qualification during the traineeship and has then progressed to a new English and maths qualification which is at least a level higher.

373. If the learner started before 1 August 2015 and then continues the traineeship after that date, we will use the definition of an outcome as described in 2014 to 2015. You can find details of these in paragraph 189 of the [Funding rules 2014 to 2015 version 2](#).

## Traineeship achievement

374. You must record all achievements on the ILR whether or not funding is claimed for that achievement.

### *Traineeships for 16- to 18-year-olds*

375. Where a young person successfully progresses to an apprenticeship, full-time study or a job that meets the [Raising of the Participation Age \(RPA\) requirements](#), we will reflect this in our use of the EFA's funding method. You can find more details on this in the [EFA's Funding guidance for young people 2014 to 2015: Funding rates and formula](#).

### *Traineeships for 19- to 24-year-olds*

376. For learners who start on or after 1 August 2015, the achievement payment for the single combined work placement and work preparation rate is based on you reporting a successful outcome, (listed in paragraph 372 of these rules), on the ILR in the programme aim. You must not claim job outcome payments (see paragraphs 226 to 234) for this combined rate.
377. If the learner started before 1 August 2015 and then continues the traineeship after that date, only the achievement payment for the work experience learning aim will be based on a successful outcome as described in paragraph 189 of the [Funding rules 2014 to 2015 version 2](#). Work preparation learning aim achievements will be based on the achievement of each learning aim.
378. English, maths and any additional qualifications added as a flexible element as separate learning aims will receive achievement funding as adult skills budget provision, including job outcome payments.

## **Learning Support traineeships for 16- to 18-year-olds**

### **Disadvantage funding**

Under the EFA's funding method, disadvantage funding (that is, extra funding to support the most disadvantaged learners) is made up of two elements (blocks) – one takes account of a learner's economic deprivation (block 1) and the other takes account of previous achievement in English and maths (block 2). There are more details on disadvantage funding in paragraphs 57 to 68 of the [EFA Funding guidance for young people 2014 to 2015: Rates and formula](#).

379. Block 2 funding must not fund English and maths qualifications. It should be used to support all learners to achieve their learning goals. This includes those with low-cost, high-incidence learning difficulties and disabilities.

## High-needs student (HNS) funding

High-needs students (HNS) are those who need more support than normal to get access to, progress towards and successfully achieve their learning goals. You can find more details on HNS funding in paragraphs 74 to 77 of the [EFA Funding guidance for young people 2014 to 2015: rates and formula](#). Learners who are aged 16 but under 25 and have an EHC plan are eligible for EFA funding.

380. If a learner needs more than £6,000 of support costs, you must inform and get agreement from our Central Delivery Service.
381. You must report high-needs students using code HNS1 in the 'Learner Funding and Monitoring' fields in the ILR.

## Learner Support traineeships for 16- to 18-year-olds

### 16 to 19 Bursary fund

Learners who are eligible, or are supported by their institution, will have access to the 16 to 19 Bursary fund. The 16 to 19 Bursary fund has two elements – an element for students in defined vulnerable groups and a discretionary element, which institutions award to young people to meet individual needs, and to help with participation costs. The rules below must be read in conjunction with the EFA's [16 to 19 Bursary Fund guide for 2014 to 2015](#).

### Vulnerable-student bursaries

382. The bursary for a learner, in the defined vulnerable group, of £1,200 is based on a course of 30 weeks or more and is reduced proportionally if it is for less than this. The maximum duration for a traineeship is six months (26 weeks) and therefore the maximum value of a bursary for a learner on a traineeship is £1,040. You must reduce this proportionally if the duration of the traineeship is less than six months.
383. You must identify learners that are eligible for a vulnerable-student bursary payment. The defined vulnerable groups are as follows.
- 383.1. Young people who are in care, including unaccompanied asylum-seeking children.

- 383.2. Young people leaving care.
  - 383.3. Young people receiving Income Support or Universal Credit in place of Income Support, in their own name.
  - 383.4. Young people getting both Disability Living Allowance (or the new Personal Independence Payments) and Employment Support Allowance (ESA) (or Universal Credit as a replacement for ESA) in their own right.
384. You must apply for the funding for learners in the defined vulnerable groups from the Learner Support Service by filling in a funding claim form, which you can download from the Department for Education website. You should email this form to the Learner Support Service (LSS) at [enquiries@efalearnersupport.co.uk](mailto:enquiries@efalearnersupport.co.uk).
385. The LSS will complete checks to verify that institutions are eligible to claim and that the claim form has been completed correctly. If the funding claim is successful, the institution will receive a 16 to 19 Bursary Fund statement. This provides details of the amount to be paid. Payments for vulnerable-student bursaries claimed by the institution will only be made to the institution's bank account as held by the EFA. No other bank account or method of payment is acceptable. A remittance advice will be sent to the institution by the LSS for each successful funding claim.

#### *Discretionary bursaries*

386. You can make discretionary bursary awards to learners in ways that best meet their needs and circumstances. You must target bursary awards towards those who face the greatest financial barriers, such as high costs of transport, meals, books and equipment.
387. You are free to decide which learners should receive a discretionary bursary award, and the frequency of and conditions for payments for all awards, depending on the requirements of the Equality Act 2010 and the allocated budget.

### **Learning Support traineeships for 19- to 24-year-olds**

388. Learners will have access to Learning Support and Exceptional Learning Support as set out in paragraphs 400 to 409.
389. You must not claim Learning Support for the work-placement element of the traineeship.

## **Learner Support traineeships for 19- to 24-year-olds**

### *Discretionary Learner Support*

390. Learners on a traineeship are part of the adult skills budget and you can use funding to support their needs. You can find out more details of the types of learner support that you can offer in the section of these funding rules on Discretionary Learner Support.
391. Where you have a Discretionary Learner Support (DLS) allocation, you can use this for learners on a traineeship.
392. Where you do not have a DLS allocation, then you can claim learner support for eligible learners through the Earnings Adjustment Statement (EAS). See paragraphs 507 to 513.
393. Learners can access this support for all elements of their traineeship, including the work placement.
394. The employer, Jobcentre Plus or the Department for Work and Pensions (DWP), should provide for necessary safety equipment.
395. Where Jobcentre Plus is already helping the learner with travel or childcare costs you must not use DLS.

## **Care to Learn – traineeships all learners**

You can find more details on the Care to Learn Scheme on the [GOV.UK website](https://www.gov.uk).

396. Care to Learn helps with the costs of childcare to help young parents under the age of 20 who may not otherwise be able to complete their education. Learners must apply for Care to Learn in each academic year to continue to receive support.

## **Evidence required**

- Learning Agreement (see paragraphs 130 to 136).
- Paragraph 348.1 – Evidence of a formal interview and feedback.

- Paragraph 348.2 – Evidence of an exit interview, written feedback, and evidence of the time spent on, and activities performed during, work placements.
- Paragraph 372 – Evidence of progression to a defined positive outcome as set out in paragraph 372 within six months, as follows.
- Where available to the provider, a completed ILR can be used to evidence an apprenticeship or further learning outcome that is funded by us or the EFA.
- Where a completed ILR cannot be supplied, one of the following must be retained by the provider to evidence an apprenticeship or further learning outcome.
  - Learner self-declaration that they have progressed to a defined apprenticeship or further learning outcome (please see paragraph 372.3).
  - Evidence that the provider has confirmed with the learner that they progressed to a defined apprenticeship or further learning outcome.
  - Evidence that the learner's new employer has confirmed to the provider the learner's progression to a defined apprenticeship or further learning outcome.
- To evidence progression to a job outcome, the provider must retain one of the following.
  - Learner self-declaration that they have progressed to a defined job outcome.
  - Evidence that the provider has confirmed with the learner that they have progressed to a defined job outcome.
  - Evidence that the learner's new employer has confirmed to the provider the learner's progression to a defined job outcome.
- To evidence progression to a self-employment outcome, one of the following must be retained by the provider.
  - Learner self-declaration that they are supporting themselves through self-employment.
  - Evidence that the provider has confirmed with the learner that they are supporting themselves through self-employment.

## Learners with learning difficulties or disabilities

We will fund learners with learning difficulties or disabilities as set out in the Apprenticeships, Skills, Children and Learning Act 2009. The Act states that we are responsible for:

‘Securing the provision for adults who:

- are aged 19 and over, and under 25, who are not subject to an Education, Health and Care Plan or
- are aged 25 and over and who self-declare they have a learning difficulty or disability.’

By August 2016, existing LDAs will be phased out and all young people with special educational needs (SEN) should have their needs met through the new 0-25 system of SEN support in this transition period.

397. For funding purposes, an LDA will be treated the same as an EHC plan.

398. The EFA and local authorities are responsible for funding provision for learners aged 19 to 24 who have an Education, Health and Care Plan (EHC plan) including apprentices.

399. If a learner has an EHC plan, you must report this in the ‘Learner funding and monitoring’ fields in the ILR.



## Learning Support

Learning Support is provided to help you to work flexibly and provide support activity to meet the learning needs of your learners. This will enable these learners to achieve their learning goal. Learning Support also provides funding for you to meet the cost of reasonable adjustments as set out in the Equality Act 2010.

Learners who were funded by the Education Funding Agency and became our responsibility for continuing learning aims will continue to receive Learning Support at the same level.

Learners funded by a 24+ Advanced Loan can get Learning Support from the Loans Bursary Fund (please see paragraphs 579 to 582).

400. Learning Support must not be used to deal with everyday difficulties that are not directly associated with a learner's learning on their programme.

401. You must only claim amounts for your costs of delivering the support to the learner and not include any indirect costs or overheads.

402. You must:

- 402.1. carry out a thorough assessment to identify the support the learner needs
- 402.2. agree and record the outcome of your assessment in the Learning Agreement
- 402.3. deliver support to meet the learner's identified needs, and review progress and continuing needs, as appropriate
- 402.4. record all outcomes on the Learning Agreement and keep evidence of the assessment of the needs
- 402.5. report in the ILR that a learner has a learning support need associated with an identified learning aim, by entering code LSF1 in the 'Learning Delivery Funding and Monitoring' field and entering the corresponding dates in the 'Date applies from' and 'Date applies to' fields

403. There are no restrictions on transferring funding between Learning Support and participation funding in the adult skills budget.

404. Learning support will be earned at a fixed monthly rate if it has been reported in the ILR against an identified learning aim. We expect the total

you earn from the monthly rate to be enough to cover your costs. If the cost of you providing support to a learner goes above the total earned from the fixed monthly rate, and you provide evidence of the excess, you will be able to claim this excess using the Earnings Adjustment Statement (EAS).

- 405. If you are planning to deliver the learning aim in less than one calendar month you must claim the value of the Learning Support as if it were all excess, using the EAS.
- 406. You may claim Learning Support if learning continues past the planned end date and the learner still needs support.
- 407. We will review whether your use of Learning Support funds represents good value for money. If we consider the funding we have provided is significantly more than the cost of the support provided, we may, after consulting with you, reduce the amount of funding we pay you.

### **Exceptional Learning Support claims above £19,000**

Some learners may need significant levels of support to start or continue learning. These learners are unlikely to be planning to take part in learning without careful consideration of their needs and the ability to meet them, and there will be other agencies involved in their care and support. These learners can get access to Exceptional Learning Support if their support costs more than £19,000.

Learners aged 19 to 24 requiring significant levels of support would normally be expected to have an Education, Health and Care Plan (EHC plan) provided by their local authority and therefore would access funding from their local authority.

408. You must:

- 408.1. first get agreement from our Central Delivery Service for learners whose support costs more than £19,000 in a funding year, by filling in the [Learning Support costs form](#)
- 408.2. get further agreement if the learner's support needs change significantly during their learning
- 408.3. make final payment claims for learners' exceptional learning support no later than two working days after the final ILR return for 2015 to 2016

409. To claim Exceptional Learning Support for a learner, or apprentice, aged 19 to 24 who does not have an EHC plan, you must confirm why the learner, or apprentice, does not have an EHC plan.

### **Evidence required**

- Learning Agreement (see paragraphs 130 to 136).
- Paragraph 402 – Evidence that the Learning Support claimed through the ILR is backed up by an assessment, that there is a planned programme of support included in the Learning Agreement, and there is evidence of the planned programme for providing additional support included in the Learning Agreement.
- Paragraph 404 – When you claim Learning Support over the fixed monthly rate you must keep evidence of total spending on the learner. You must demonstrate why the cost of the support is greater than the total earned from the fixed monthly rate, linked to the learner's assessment and planned Learning Support claim.
- Paragraph 408.1 – A copy of the agreement between you and our Central Delivery Service to fund exceptional learning support. This could be an email from our Central Delivery Service.
- Paragraph 409 – Evidence of why the learner, or apprentice, does not have an EHC plan. This should be a letter or email from the learner's local authority stating that the learner does not have an EHC plan, as they do not meet the criteria.

## **Section 3 - Programmes**

### **European Social and Investment Funds**

#### **European Social Fund (ESF)**

For the European Social and Investment Funds (ESIF) 2014 to 2020 Programme, we will be operating as an Opt-in Organisation delivering ESF activity on behalf of local enterprise partnerships (LEPs).

LEPs will decide how to invest the ESIF for 2014 to 2020 and we will support them by delivering services to procure, manage contracts for and match funding for provision that meets the local needs identified by each LEP.

ESF rules apply to all providers who receive any funding from us for their provision, because we use mainstream funding for ESF match funding purposes.

This section sets out specific rules only relevant to ESF programmes. Other principles, rules and evidence requirements set out in this document apply unless specified in this section. You should read these fully as well as:

- the offer pack or tender specification the ESF funding agreement was awarded to deliver
- the funding agreement
- ESF rules and regulations applied by the ESIF managing authority in how they relate to the ESF programme in England. The managing authority in England will update the ESF guidance documentation throughout the programme and we are responsible for telling you about any revisions

These documents form part of the terms and conditions of your funding agreement.

#### **ESF provision**

410. For stand-alone ESF provision, the maximum funding available is set out in the funding agreement.

411. We pay you for your ESF provision when you send us your ILR returns and when you fill in a non-ILR delivery statement. Your funding agreement sets out what you must deliver, how we will pay you for each element you deliver, and the associated rules on providing evidence.

## **Eligibility**

412. ESF rules and regulations say that, to be eligible for ESF support participants must be 'ordinarily resident' (see paragraph 175.5) in the UK and be able to work in the UK.
413. Workers who have come to the UK with valid work permits are eligible for ESF support without the normal three-year waiting period.
414. To be supported by ESF, all participants must be eligible for our funding first. However, although asylum seekers may be eligible for our funding (as shown in paragraphs 160 to 161) they will not be eligible for ESF funding as that funding requires them to be eligible to work in the United Kingdom.
415. Specific guidance on the eligibility of learners in the funding agreement and conditions document, takes priority over this document when any difference exists.
416. You must have documentary evidence of a participant's eligibility before they start the programme.

## **Geographical eligibility**

417. Wales, Scotland and Northern Ireland all have separate ESF programmes. Individuals living outside England are not eligible to be supported through our ESF programme.
418. Beyond these rules, geographical eligibility for a particular ESF project will depend on the rules of the funding agreement.
419. Eligibility for ESF is decided by referring to a participant's status on the day they begin their programme of learning. If a participant leaves or changes to another ESF-funded project, their eligibility is based on their status when they start the new programme of learning.

## **Activity**

420. The eligible activity is explained in the funding agreement.

## **Age**

421. Participants are defined by their actual age when they start their programme of learning. You must refer to the funding agreement for the age range eligible for a specific contract.

## **Participants starting-on activity**

422. This activity will include information, advice and guidance (IAG), basic skills assessments, assessments of ability, learning plans and inductions.
423. You must identify any skills gaps of participants, and either put in place provision to help them improve or refer them to other appropriate provision.
424. You must make sure that the assessment identifies the needs of the participant. The results of the assessment must include details of previous competence and must be recorded and used to provide an individual learning plan (ILP) as part of the Learning Agreement.
425. The Learning Agreement must contain details of what is delivered, how it is delivered (for example, by group work, workbook and so on), and the way it is delivered, taking account of the participant's abilities.
426. The Learning Agreement must be signed by the participant at the start of the learning activity.
427. All participants must receive an induction that includes, at least, the following.
- 427.1. Programme content, delivery and assessment arrangements, including your contact details.
  - 427.2. How the programme is funded through the ESF.
  - 427.3. Equality and diversity.
  - 427.4. Health and safety.
  - 427.5. Disciplinary, appeal and grievance procedures.
  - 427.6. Terms and conditions of learning.

## **Learning Support, Exceptional Learning Support and Learner Support**

428. ESF funding agreements can have the same learner and learning support as mainstream funding agreements. However, the cost of these services is usually included in the deliverable payment and not paid as a separate activity. If paid as a separate activity, as defined in the tender specification, it would be dealt with as actual cost expenditure.

## **Closing the project**

429. You must complete all services by the date shown in the funding agreement and have all evidence of achievement in place by the final return, no later than three months after the end date. We will close your contract in line with the final version of the funding agreement.
430. All non-ILR delivery statements for the provision must be completed and processed correctly. We allow three months after the end date of the services set out in the funding agreement for you to provide correct data.

## **Publicity**

431. You must publicise your ESF-funded activity as widely as possible. As a minimum, this includes:
- 431.1. preparing a communications plan at the start of the contract to make sure that approved marketing and publicity activity is distributed throughout the project
  - 431.2. telling the public and others about the launch, ongoing successes and end-of-contract achievements
432. You must inform Central Delivery Service about all planned and actual publicity activity.
433. In your evaluation reports, you must provide an update of activity against the communication plan.
434. For more guidance on communications, you should refer to the funding agreement and the ESF [website](#).

## **Provision supporting Not in Education Employment or Training (NEET), unemployed and redundancy (age 14 to 19)**

435. If you hold an ESF contract to deliver training for NEETs, unemployed people or people under notice of redundancy and any term in the ESF contract is different from one or more of our funding rules, the terms in the ESF contract will apply instead of the funding rules.

## **Evaluation and annual reporting**

436. To help you report on the provision, you must, when asked, be able to give us examples of:

- 436.1. measures taken to provide information on and publicise the services
- 436.2. putting the cross-cutting themes of equal opportunities and sustainable development into practice
- 436.3. case studies of good-practice projects

437. You must fill in a project evaluation report that includes:

- 437.1. the number of participants helped
- 437.2. their backgrounds
- 437.3. the support measures provided and the qualifications gained
- 437.4. an overview of the complete project
- 437.5. details on the sustainability of the project after ESF funding ends
- 437.6. 'good news' stories and case studies



## State Aid

State Aid involves using funding from a public body to provide support to a commercial enterprise that might distort competition and affect trade in the European Union.

ESF learning provision delivered to meet the training needs of the employer, as opposed to those of an individual employee or private individuals, could be considered to be State Aid and could be recovered from the employer.

- 438. To avoid recovery, you must keep to European Commission State Aid regulations for de minimis support and training aid.
- 439. Under [de minimis rules for State Aid](#), a commercial enterprise (as defined in State Aid regulations) must not receive more than €200,000 of financial support from public or publicly-funded sources, in a rolling period of three financial years.
- 440. You must show that you have checked the level of financial support from public sources, to any enterprise which benefits from the services delivered under ESF contracts. You must check, and get a signed declaration from the employer, before you start delivery under an ESF contract.
- 441. You must get this declaration when an individual recruited through a commercial enterprise receives training or support that is not freely available to all. This means the training is not covered by an entitlement to funding from us.
- 442. ESF provision that provides support to employers or their employees, including any learning delivered above the legal entitlement of level 2, must be declared as a State Aid under de minimis rules.
- 443. If an enterprise has already had more than €200,000 of publicly-funded support, you cannot support them through de minimis in your ESF contract, but you may deliver ESF provision using [Training Aid](#).
- 444. The enterprise must make a contribution to the cost of the training under State Aid regulations. You must agree the right contribution with the enterprise and get a signed declaration from the employer before you start delivery under an ESF contract.

## Evidence required

- Learning Agreement (see paragraphs 130 to 136).
- Paragraph 412 - Evidence of an assessment that the participant is both living legally in the UK and able to take paid employment in an EU Member State, and confirmation by the participant that the information supplied and recorded is correct.
- Paragraph 413 - Evidence of an assessment that the participant coming to the UK with a valid work permit is eligible, and confirmation by the participant that the information supplied and recorded is correct.
- Paragraph 416- Evidence of an assessment that the participant is ordinarily resident in England and meets the geographical eligibility for the ESF contract, plus confirmation by the participant that the information supplied and recorded is correct.
- Paragraph 419 - Evidence of an assessment of the participant's employment status, plus confirmation by the participant that the information supplied and recorded is correct.
- Paragraph 421 – Evidence of an assessment showing that the participant is of an eligible age for the ESF contract plus confirmation from the participant that the information in the assessment is correct.
- Paragraph 429 – Evidence to prove you have achieved your project outputs and outcomes (planned targets) against the main funding milestones, as shown in the ESF contract delivery annexes.
- Paragraph 430 - Complete and correct ILR data and delivery statements sent to us within three months of the end of the project.
- Paragraph 431 - Evidence that you have produced and published a communications plan and publicity materials that keep to ESF publicity and logo requirements.
- Paragraph 432 - Correspondence with us about all planned and actual publicity activity at monitoring meetings.
- Paragraph 433 - Project evaluation reports and supporting documents including updates to ESF communication plans.
- Paragraph 437 - Project evaluation reports and supporting documents.
- Paragraph 440- You must be able to prove that you have regularly checked your financial support from public sources, if your employees are potential participants under an ESF contract. You must get a

completed de minimis declaration form from affected enterprises each financial year, to make sure each enterprise does not break the €200,000 limit. You can get template forms from our Central Delivery Service. You must send these declarations to us if we ask you to.

- Paragraph 444 - Where training aid is applied, you must get a completed ESF training aid declaration form from each affected enterprise (this is different and separate from the declaration). Declarations from enterprises must show the training activity carried out, the agreed participant outcomes and the intended training dates. You can get template forms from our Central Delivery Service. You must send these declarations to us once a year, when we ask you to.

## Community Learning

Community Learning helps people of different ages and backgrounds gain a new skill, reconnect with learning, pursue an interest, prepare for progression to formal courses or learn how to support their children better.

Community Learning supports wider government policies on localism, social justice, stronger families, digital inclusion and social mobility.

We will continue to offer a contribution to the overall cost of delivering Community Learning and you are expected to add value to this public contribution by attracting extra income, cutting costs and reinvesting to widen the offer to disadvantaged people.

All Community Learning providers must develop their plans in line with the Community Learning objectives (see link in paragraph 445 below).

### Meeting Community Learning objectives

445. You must have in place a strategy that can demonstrate how, in your geographical area, you have identified and will deliver a relevant balance of the Community Learning objectives set out in [‘New Challenges, New Chances’](#).
446. Your strategy must:
- 446.1. provide evidence of how you will work with, and consult, communities, local authorities, local enterprise partnerships and other relevant local stakeholders in order to meet your objectives
  - 446.2. have clear outcomes and measures capable of being evaluated by your community and local stakeholders
  - 446.3. have a detailed financial strategy that enables you to add value to your Community Learning allocation
447. You must make sure that all adult learners funded through our financial contribution meet the criteria set out in ‘Eligibility for funding’.
448. Learners under 19 can be supported by Community Learning funding only if they are a parent on a family learning programme.

## Assessment

449. You must ensure that, where appropriate, learners have access to initial assessment tools or processes, and have signposting to:

- 449.1. appropriate provision, if their assessment reveals an English, maths or ESOL need, or
- 449.2. accreditation for those who want it

## Provision

450. The majority of Community Learning aims will be non-regulated. However, we recognise that for some people, having access to regulated provision (within a wider Community Learning offer) is important to help them gain skills. If you want to deliver regulated provision through the Community Learning budget you must:

- 450.1. make sure it is part of your agreed Community Learning strategy
- 450.2. only use this flexibility to fund provision that you could not deliver through the adult skills budget

451. From academic year 2015 to 2016, providers who have both a Community Learning and adult skills budget allocation will be able to deliver regulated Family, English, maths and language (FEML) courses from either the Community Learning or adult skills budget. You must record regulated FEML courses in accordance with the requirements in the [ILR Specification for 2015 to 2016](#).

452. During 2015 to 2016, we will continue to monitor enrolments on Community Learning for regulated provision, including English, maths, and ESOL learning aims. This is to make sure there is no significant increase in the volume of activity (or displacement of adult skills budget funds) compared with delivery in 2014 to 2015.

453. You must not use your Community Learning allocation to fund provision that is eligible to be funded through a 24+ Advanced Learning Loan.

## Data and claim returns

Activity is reported through the ILR against the four programme elements so that we can monitor and report on take-up and delivery. The four programme elements are:

- Personal and Community Development Learning (PCDL)
- Neighbourhood Learning in Deprived Communities (NLDC)
- Wider Family Learning (WFL)
- Family English, Maths and Language (FEML)

454. You must return:

454.1. accurate ILR data against the four programme elements

454.2. accurate ILR data, in line with the ILR return timetable

455. If you receive Community Learning funding, you must fill in and return a [funding claim form](#).

456. You must collect information for child learners using the [Supplementary Learner Record A](#), and email the form to [familyprogrammes@sfa.bis.gov.uk](mailto:familyprogrammes@sfa.bis.gov.uk).

457. If you cannot return Neighbourhood Learning in Deprived Communities (NLDC) information through the ILR; you must email the [NLDC](#) form to [nldc.returns@sfa.bis.gov.uk](mailto:nldc.returns@sfa.bis.gov.uk).

## Evidence required

- Learning Agreement (see paragraphs 130 to 136).
- Paragraph 447 – proof of age and evidence that the learner meets residency criteria.
- Paragraph 455 – A filled-in Funding Claim for Community Learning for 2014 to 2015.
- Paragraph 456 – A filled-in Supplementary Learner Record A, giving the number of the child learners involved in family learning programmes in 2014 to 2015.
- Paragraph 457 – A filled-in NLDC form (if you are not returning this in the ILR).

## Offenders' Learning and Skills Service (OLASS)

OLASS funds adults (aged 18 and over) in custody in England, including offenders on remand. This includes:

- a mandatory initial assessment of functional English and maths (for all offenders on reception to custody)
- developing skills and routes to employment, especially in the 12 months before offenders are released
- working across a group of prisons, with lead governors co-ordinating activity
- working with lead governors to plan, monitor, review and assess the curriculum, with the OLASS provider, to meet local needs, and considering the offender's needs and the job market offenders are released into

OLASS funding follows the same principles, rules and evidence requirements for provision funded through the adult skills budget unless otherwise specified in this section.

### Eligibility for funding

458. Learner eligibility rules and financial contributions for the adult skills budget do not apply to OLASS funding. If you deliver OLASS-funded programmes in adult prisons in England, you must treat all offenders as individuals eligible for our funding in line with the financial contributions stated below.

459. The following individuals are not funded through OLASS but may be funded through the adult skills budget where they meet the necessary eligibility criteria.

459.1. Individuals serving community sentences.

459.2. Individuals released on temporary licence (RoTL).

459.3. Individuals under supervision in the community. Or

459.4. Individuals held in Immigration Removal Centres.

460. Learners aged 18 to 23 at the start of learning are eligible for full funding through the OLASS programme for all learning aims up to and including level 3, including awards and units, where they are approved for funding.
461. Learners aged 24 or over are eligible for full funding through the OLASS programme for all learning aims up to and including level 2, including awards and units, where they are approved for funding.
462. Offenders in prison who are aged 24 or over at the start of learning and studying at levels 3 and 4 will not be eligible for funding through OLASS, but may be eligible to apply for a 24+ Advanced Learning Loan (Loan) for certain types of provision.
463. You can find details of Loans for offenders in prison in the 24+ Advanced Learning Loans section of this document.
464. In exceptional circumstances, some individuals may be below the age of 18 when they enter an adult prison. If this is the case, you must discuss the particular circumstances with our Central Delivery Service to determine funding eligibility.

## Core curriculum

Lead governors, OLASS providers and other partner organisations will match the learning and skills offer for learners in custody with the local, regional or national employment priorities for the areas each cluster (group) of prisons releases offenders to.

Partner organisations may include:

- Jobcentre Plus
- Work Programme providers
- offender managers
- Community Rehabilitation Companies (CRCs/National Probation Service)

465. By 30 September 2015 you must provide a delivery plan for each prison that describes how you will deliver the core curriculum commissioned by the governor/lead governor.
466. The core curriculum must include:
- 466.1. mandatory initial assessment of English and maths
  - 466.2. English and maths and ESOL provision



- 466.3. vocational qualifications, including Information and Communications Technology (ICT)
  - 466.4. employability skills (these may include a wide range of team-working, personal, social and other skills)
467. You must provide support for learners who are undertaking higher education or other separately funded distance learning.

## **English, maths and ESOL**

English, maths and ESOL provision forms part of the core curriculum and is likely to be required in every prison. The expectation is that this will be delivered through intensive learning including online learning.

All new entrants to prison are screened using the National Offender Management Service (NOMS) Basic Custody Screening Tool (BCST), and where the outcome from the BCST indicates the individual is not operating at level 2 or above for English and maths NOMS will refer the individual to OLASS providers for mandatory initial assessment of English and maths.

468. We will fund mandatory assessments of English and maths. Where no valid assessment is present then you will be funded to carry out both English and maths assessment. Where only English or maths is required, then only the single assessment will be funded.
469. You must record assessments using the appropriate learning aim reference codes in the ILR and the Learning Records System (LRS) Learner plan.
470. The mandatory initial assessment must report an outcome grade to determine the level at which the individual is working for English and maths. It will also identify some learners with learning difficulties and/or disabilities (LLDD), in which case you should complete the appropriate LLDD ILR field.
471. You must confirm on the individual learner plans if the offender has an existing recent assessment, to ensure that only those offenders who do not have an existing valid initial assessment are identified.
472. Any assessment carried out within the last six months will be valid. If an assessment is older than six months, the OLASS provider must consider whether the offender would benefit from a new assessment.
473. You must follow the English and maths rules for the adult skills budget when assessing an offender's entitlement to be funded through OLASS.

## **Vocational qualifications including ICT**

474. You must work with the governor/ lead governor in each prison/cluster and with the wider partnership in order to identify and develop opportunities for learning and skills that meet local, regional or national employment priorities in these resettlement areas. These are already listed above.
475. When you use OLASS funding to deliver vocational training, you must use regulated qualifications or units that we have approved for funding.
476. The learner's Learning Agreement should set out how their learning experience and the skills they gain will help to increase their confidence and self-esteem, contribute to further learning and make them more employable.

## **Employability skills**

477. When you deliver pre-employment support, or support learners with learning difficulties or learning disabilities to live with greater independence and effectiveness, or when you support adults to re-engage with learning, you may choose whether to use a combination of regulated qualifications and units, or non-regulated provision.
478. There is no separate funding allocation for using non-regulated provision. The decision to use non-regulated provision must be discussed and agreed with the governor/lead governor at each prison or group of prisons.
479. We acknowledge that prisons with high proportions of offenders who are serving long sentences may need greater flexibility to deliver relatively higher levels of non-regulated provision to maintain the learning journey. This must be monitored by the lead governor of each group of prisons.
480. The funding bands you should use for non-regulated activity for 2015 to 2016 are the same as our adult skills budget funding rates for non-regulated provision.

## **Supporting learners studying higher education or for other separately funded distance learning**

481. You must support learners who want to study with the Open University and other institutions that provide distance learning courses. You can find more information in [Prison Service Instruction \(PSI\) 32/2012](#).

482. You must ensure you have staff available to provide learners with the resources and support they need for their studies including general mentoring and guidance. This includes adequate access to appropriate ICT facilities to enable the learner to take part in learning.

### **Supporting learners who are providing mentoring**

483. There are roles for adult learners in custody acting as mentors, including 'peer-to-peer' teaching to improve outcomes. You must make sure that this activity is accredited through regulated qualifications, so that it can be used to support future employment.

### **Continuing learning after leaving custody**

484. If a learner does not complete their learning aim while in custody, you must put arrangements in place to provide support after they leave prison. The learners must be fully funded through the adult skills budget.
485. You, the lead governor and the relevant CRC need to carefully consider a prospective learner's sentence length, the time they are likely to need to complete a course, and their eligibility for provision funded from the adult skills budget when they leave prison.
486. You must make sure that learning started in custody can be supported by suitable equivalent provision in the community. Learners will use the credit they have built up in custody towards the full qualification.

### **Evidence required**

- Learning Agreement (see paragraphs 130 to 136).
- Paragraph 465 – Your agreed delivery plan at prison level by September 2015
- Paragraph 471 - Completion of individual learner plans.

## Discretionary Learner Support (DLS)

Discretionary Learner Support (DLS) is for learners with a specific financial hardship that prevents them from taking part in learning.

487. Before you award a learner DLS, you must identify their needs within the following 'categories'.

487.1. Hardship for those aged 19+.

487.2. Childcare for those aged 20+.

487.3. Residential for those aged 19+.

488. DLS is allocated to the three separate categories above, but you can transfer funding between each.

489. Just because a learner is eligible to receive DLS does not give them an entitlement to receive it. You must make the final decision on whether to give them DLS.

490. DLS is provided by the Department for Business, Innovation and Skills. As the 16 to 19 Bursary Fund is provided by the Department for Education, there must be no transfer of funds between the two funds.

### Administration

491. You can use up to 5% of your DLS allocation towards administrative costs. You must not use your DLS allocation for bank charges.

492. Grant-funded providers can move funds between their DLS and Loans Bursary fund allocation without any limitation.

493. You must:

493.1. record and report on spending for each of the three schemes and your administration costs

493.2. have criteria for how you will administer and distribute your funds. These must reflect the principles of equality and diversity and be available to learners and to us on request

493.3. make sure that learners are eligible to be funded by us

- 493.4. assess and record the learner's needs, demonstrating the need for support
  - 493.5. report the appropriate Learner Support Reason (LSR) codes in the 'Learner Funding and Monitoring' fields in the ILR
  - 493.6. complete a mid-year funding forecast in February and a final claim in October
  - 493.7. take into account the availability of other support for learners, for example Jobcentre Plus or a Work Programme
  - 493.8. make it clear to learners that it is their responsibility to tell the Department for Work and Pensions about any DLS support that they are receiving from you, as DLS payments may affect their eligibility to some benefits.
494. We will recover any unspent funds, and payment for any provision above your allocation will be at our discretion. Under-delivery may affect your future DLS allocation.
495. You must not use DLS as a means of support if any of the clauses in 495.1 to 495.6 apply.
- 495.1. For essential equipment or facilities required by the learner if the learner is fully funded by us, as these things are already included in the funding rate. However, fully-funded learners can get DLS and hardship funding for childcare, transport and residential costs.
  - 495.2. If the learner is eligible but it is more appropriate for them to receive support through Learning Support for the same purpose.
  - 495.3. If the learner is already receiving help with travel or childcare costs from Jobcentre Plus or a Work Programme provider in connection with pre-employment training.
  - 495.4. If the learner is in prison or a young offender institution, or has been released on temporary licence (RoTL), for example, on day release.
  - 495.5. If the learner is carrying out Community Learning, a higher education course, or provision with learning aims that are identified as fully funded from other sources.
  - 495.6. If the learner is receiving an income and does not have a financial need.

496. Learners taking part in access to higher education courses will be able to apply for DLS funding as long as the learning aims are funded through the adult skills budget.

497. You may attach attendance criteria to learner payments, but you must not use the funding to pay weekly attendance allowances or achievement and attendance bonuses.

## Hardship

Hardship funding is provided to support vulnerable and disadvantaged learners and to remove barriers to education or training.

498. You can support learners based on their needs and local circumstances. Types of support include the following.

498.1. Course-related costs, including course trips, books and equipment (where these costs are not included in the funding rate), support with domestic emergencies and emergency accommodation.

498.2. Transport costs (you must not use the fund to make a block contribution to post-16 transport partnerships or routinely fund transport costs that are covered in the local authority's legal duty for learners of sixth-form age).

498.3. Examination fees.

498.4. Accreditation fees, professional membership fees and any fees or charges due to external bodies.

498.5. Your registration fees.

498.6. Support provided by others, or by providing items or services or cash direct to the learner. This can be in the form of a grant or repayable loan.

499. If an asylum seeker is eligible for provision you may provide learner support in the form of course-related books, equipment or a travel pass. You must not give a learner who is an asylum seeker support in the form of cash.

## 20+ Childcare

20+ Childcare funding is provided to support learners aged 20 or older on the first day of learning who are at risk of not starting learning, or not continuing learning, as a result of difficulty getting childcare.

500. You can only use childcare funding to pay for childcare with a childminder, provider or childminder agency who is registered with Ofsted.

501. You must not use childcare funding:

- 501.1. to fund informal childcare, such as that provided by a relative
- 501.2. to set up childcare places or to make a financial contribution to the costs of a crèche
- 501.3. for learners aged under 20 on the first day of learning; instead you must direct them to the EFA 'Care to Learn' programme. DLS must not be used to top up childcare payments for those receiving 'care to learn'

## Residential

We provide residential funding to support learners receiving specialist provision which involves a residential element, or to support learners who cannot receive provision locally. The fund can help learners live in private accommodation or in accommodation you own or manage.

502. You must:

- 502.1. set out the criteria and procedures for considering and agreeing applications for support from your Residential Access funds
- 502.2. make payments to, and on behalf of, learners (the most you can pay in each funding year is £4,079 within London and £3,458 outside London)
- 502.3. give priority to learners who need accommodation and only pay for travel costs in exceptional circumstances

## **Learner Support in apprenticeships**

If there is genuine hardship which could be an obstacle to the learner during their apprenticeship, you can claim Learner Support to help them. You should use the general principles of Discretionary Learner Support but the following rules relate specifically to apprentices.

- 503. We expect employers to support apprentices with most additional expenses. However, there may be times when you need to support an apprentice in genuine need (for example, in the case of redundancy).
- 504. Our Central Delivery Service can tell you the types of support you can offer apprentices.
- 505. If you do not have a DLS allocation, you must claim for this support from your adult skills budget through the Earnings Adjustment Statement.
- 506. You must claim all learner support costs during the funding year in which they arise. We will not pay you for claims from a previous funding year if you do not claim on time.

### **Learner Support for 19- to 24-year-old learners on traineeships, where you do not have a DLS allocation**

- 507. If you do not have a DLS allocation, you can claim Learner Support for 19- to 24-year-old learners on traineeships out of the adult skills budget through the Earnings Adjustment Statement (EAS).
- 508. You must apply the principles of Discretionary Learner Support, including taking account of the availability of other financial support for learners (see paragraph 493).
- 509. If you have a DLS allocation, you must not claim Learner Support for 19- to 24-year-old learners on traineeships through the Earnings Adjustment Statement. You should refer to the general rules on DLS in paragraphs 487 to 502.
- 510. Reasonable expenses can be met in full if the expenses are necessary to overcome barriers to learning activity. You can use Learner Support funding claimed from the adult skills budget for learners on a traineeship to support the work placement element, as well as the other elements, but you must claim all costs during the funding year in which they are spent.



511. Learner Support for traineeships will be funded from your existing adult skills budget allocation and should be managed within the existing adult skills budget.
512. The use of Learner Support for traineeships will not be considered a justifiable case in its own right for increasing your adult skills budget allocation. We will monitor the level of learner support you claim in relation to the size of your 19 to 24 traineeship programme and your overall adult skills budget allocation.
513. You must get advice from us if you are in any doubt about whether you can claim for certain types of expenses. For example, we will not pay for the costs of learners' meals.

### **Evidence required**

- Learning Agreement (see paragraphs 130 to 136).

## 24+ Advanced Learning Loans

24+ Advanced Learning Loans (Loans) help people aged 24 or over carry out level 3 or 4 further education (FE) learning aims and get access to the funds they need to gain advanced and higher-level skills.

514. Since 2013 to 2014, for learners aged 24 or over when they start their learning, our funding for provision at levels 3 and 4 has ended and been replaced with Loans. This does not apply to:

- 514.1. advanced-level or higher apprenticeships
- 514.2. trade union representatives studying Trade Union Congress learning aims at levels 3 and 4 or
- 514.3. ex-military personnel. We will fund ex-military personnel for their first full level-3 qualification. (You can find the full definition of ex-military personnel in paragraph 194.7).

515. You can only deliver provision funded by Loans if we have given you a Loans facility.

516. If you subcontract the delivery of provision funded through a Loan you remain responsible to the learner for the delivery of that provision and will be liable to make any repayment of fees in the event that the subcontractor fails to deliver the provision as agreed with the learner. All of a subcontractor's learners are ultimately the responsibility of the lead provider.

517. If you choose to subcontract the delivery of Loans provision, please refer to paragraphs 14 to 62.

## Qualifications funded through Loans

518. The Chief Executive has designated the following types of provision eligible to be funded with Loans.

- 518.1. Full A-levels (up to a maximum of four) (see paragraph 525).
- 518.2. Quality Assurance Agency (QAA) Access to Higher Education Diplomas.
- 518.3. Certificates at levels 3 and 4.
- 518.4. Diplomas at levels 3 and 4.

518.5. Technical (tech) levels.

518.6. Early Years Educator learning aims at level 3.

519. Loans cannot be used to fund units of qualifications or awards at level 3 and above, or learning delivered through the innovation code.

520. As learners will usually (see paragraph 574) apply for Loans before their proposed start dates, the situation may arise where a learning aim becomes unavailable for public funding before a learner starts their learning. Usually, there will be alternative learning aims available.

521. If a new learning aim is the same type and level as the original aim (for example, a change from one level 3 certificate to another level 3 certificate) you must tell the Student Loans Company (SLC) through the learning provider portal (see paragraphs 555 to 559).

522. If no similar provision exists you must discuss alternative options, including funding options, with the learner.

## **Number of Loans**

523. Learners are entitled to up to four Loans, for four learning aims, where each Loan is for a different category of provision as listed in paragraph 518. For the purposes of Loan entitlement, tech levels and Early Years Educator learning aims will be treated as level-3 certificates or diplomas, according to the size of the qualification.

524. Learners will take out a Loan for a single learning aim.

525. In the case of AS and A-levels, a learner can make Loan applications to undertake up to four full A-levels. A full A-level can be studied by a learner enrolling on an A-level learning aim or enrolling on an AS learning aim and then progressing to an A-level learning aim.

525.1. Where a learner intends to study towards and take only an A-level exam a learner can apply for up to four Loans for four A-level learning aims. These applications can be made one at a time or one after the other.

525.2. Where a learner intends to study towards an AS-level exam, not followed by an A-level, a learner can apply for up to four Loans for four AS learning aims.

525.3. Where a learner undertakes up to four AS-level learning aims and then decides to progress to up to four full A-levels, a learner can

apply for up to four Loans for the four AS-levels and up to four Loans for the corresponding A-levels. In this scenario providers must reduce the fee charged to the learner for the A-level(s) to take account of the prior study of AS-levels.

- 525.4. If a learner enrolls on a combination of A-level and AS learning aims, they will be able to apply for Loans to undertake up to four full A-levels, subject to the overall limits for each learning aim type, outlined above.
526. You can access further information, including illustrative examples in our [guidance for recording A and AS levels on the ILR for 2015 to 2016](#).
527. A learner can still apply for three more Loans for learning aims that are not AS learning aims or A-levels, as long as the provision is taken at different times, as set out within paragraph 531.
528. The ability to get up to four Loans allows for progression. However, a learner does not have to progress.
529. A learner cannot get a Loan for a learning aim when they have previously completed that type of learning aim, at the same level, through funding from a Loan (except in the case of A-levels see paragraph 525).
530. The only exception to the rule in paragraph 529 is where a learner progresses from a Subsidiary Diploma through to an Extended Diploma at the same level. In this situation, the progression is considered as a single Loan, and the Loan amount is amended through the Change of Circumstance process (see paragraphs 555 to 559).
- 530.1. This change must be reported while the learner is still in learning and
- 530.2. you must produce another learning and funding information letter (see paragraph 545 for more information)
531. If at any one time, a learner is taking more than one learning aim which is eligible for a Loan, the learner is eligible for only one Loan. The learner would need to get other funding for the other learning aim which is eligible for a Loan. The only exception to this is a programme of four A-levels (see paragraph 525 above).
532. A learner may pay for their other learning aims, or if the learning aims are up to level 2, they may be eligible for funding from us in line with our funding rules 2015 to 2016.
533. Every learner who has previously withdrawn from a learning aim will be given one more chance to access a repeat Loan, taking the potential maximum number of Loans up to five. This repeat Loan can only be for

the same learning aim or the same type of learning aim at the same level that the learner previously withdrew from.

## **Deciding whether learners are eligible for a Loan**

534. Loans will be non-means-tested and will be available to eligible learners aged 24 and over when they start their learning; studying in England for learning aims we approve at a provider we approve in England. The SLC will be responsible for assessing whether a learner is eligible (see paragraph 154). This means that the assessment of eligibility will not be required in the Learning Agreement.

535. In terms of eligibility, offenders must also:

535.1. have the right to stay in the UK after completing their sentence

535.2. not be subject to a deportation order

535.3. have been sentenced and not be on remand

535.4. have their prison governor's approval to study the learning aim the Loan will fund

535.5. be studying their learning aim with a provider in England who has a Loans facility from us and

535.6. be within six years of their release date

536. If a learner is 23 at the start of a level 3 or 4 learning aim and turns 24 during their learning, they will continue to be funded by us for the duration of the learning aim. You must make sure that learners aged 24 and over are not given the opportunity to apply for a Loan to meet the fees associated with continuing any co-funded learning aims.

## **Loan amounts and financial contributions**

537. You must make all learners funded by a Loan aware of your policy on fees and charging.

538. You can pass on subscription charges, made by professional bodies to become a member of that organisation, to the learner. If achieving the learning aim relies on membership, you can make them pay this as a requirement of enrolling. You can also decide to use the Loans Bursary Fund funding to pay professional fees if you choose.

539. If you offer optional extras as well as learning, you can ask a learner funded by a Loan to pay. For example, trips and visits not central to learning. It cannot be a condition that the learner takes up the optional extra provision to complete or achieve their learning aim.
540. If a learner funded by a Loan needs a Disclosure and Barring Service (DBS) check to take part in learning, you cannot charge them for this. If the learning is associated with the learner's employment, their employer is responsible for carrying out and paying for this check.
541. A learner will only be eligible to receive a Loan that is either equal to, or less than:
- 541.1. the funding rate in LARS or
  - 541.2. your fee, as shown in your learning and funding information letter (see paragraph 545 for further details)
- whichever is the lower
542. The minimum Loan value is £300.
543. We do not expect that you would need to charge more than the maximum Loan amount.
544. Learners can only apply for Loans to cover the tuition fee element of their provision including all costs and charges for items which a learner cannot complete their course without.

## Information needed

The SLC will be responsible for deciding whether a learner is eligible for a Loan and for making Loan payments to you on behalf of learners. If you are delivering provision funded by Loans, the SLC will give you access to their [learning provider portal](#) (an interactive web-based service that will act as the main channel of communication between you and the SLC, which will be the method they use to confirm learner attendance and release Loan payments).

545. If the learner decides to apply for a Loan, you must give them information in [the learning and funding information letter](#) to help them make their application. This letter is vital in the application process, as otherwise the learner will not have the relevant information to fill in either the paper or online Loan application. The letter must include:
- 545.1. all of the standard text as set out in the model letter

545.2. the UK provider reference number (UKPRN)

545.3. the learning aim reference number

545.4. the title of the learning aim

545.5. the learning aim start date and planned end date

545.6. the fee charged to the learner and

545.7. the maximum amount of Loan available for the learning aim as published on LARS

546. There is a separate [learning and funding information letter for offenders](#). Offenders will make Loan applications on the standard paper-based Loan application form, which you can download from the [GOV.UK website](#). The application must be accompanied by an SLC Prisoner Application Proforma (available from the Head of Learning, Skills and Employment within the prison) or a letter from the prison governor (or their representative).

547. The proforma or governor's letter must confirm information such as the offender's release date and permission for the offender to study. If the offender does not have the required evidence of their identity (such as a passport or birth certificate), the proforma or the governor's letter must also confirm the offender's identity.

You will be able to see the status of the learner's Loan application using the learning provider portal which is delivered by the SLC.

548. Once the learner's Loan application has been approved and the learner has started the learning aim you must confirm the learner's attendance to the SLC through the learning provider portal.

549. You can only confirm that the learner has started once the learner has been attending for at least two weeks. This is referred to as the 'initial liability point' and will either be:

549.1. two weeks from the learning aim's start date, as shown on the Loan application form or

549.2. two weeks after the learner started their studies, if they started at a later date than the one given on the Loan application form. (In this case you must tell SLC about the change to the start date through the learning provider portal. Please refer to SLC's [Learning Provider Portal User Guide](#).)

550. You must accurately record the learner's unique learner number (ULN) before you can confirm their attendance.
551. You must fill in an ILR for Loans-funded learners, and make sure that it matches the information you have filled in on the learning provider portal. Loans are reported in the ILR as follows.
- 551.1. code 99 in the 'Funding model' field
  - 551.2. 24+ Advanced Learning Loan indicator, code ADL1 (and Loans Bursary, if applicable) in the 'Learning Delivery Funding and Monitoring' field
552. If you subcontract the delivery of provision funded with a Loan, subcontractors must provide ILR data to reflect your subcontractors' delivery information. You must also ensure that subcontractors' learner attendance data, and information about learners' changes of circumstances (see paragraphs 555 to 559), are reported accurately to the SLC through the learning provider portal.
553. You must confirm to the SLC if a learner does not attend. This can be either when a learner leaves their learning aim before the initial liability point, or if a learner has never attended.
554. Once a learner has passed the initial liability point you must return confirmation of attendance to the SLC through the learning provider portal every three months on 1 November, 1 February, 1 May and 1 August.

### **If the learner's circumstances change**

555. There will be times where a learner's details or circumstances may change. You must tell the SLC as soon as you become aware of a change as this will reduce the risk of a learner becoming legally responsible for a Loan for a learning aim they are no longer studying. Learners also have a responsibility to keep the SLC informed of changes to their circumstances.
556. The following reasons may result in a learner's details or circumstances changing from the original information supplied in their initial application.
- 556.1. A change in personal details. (Please refer to paragraph 557).
  - 556.2. A change in provider.
  - 556.3. A change of learning aim, including where a learning aim is no longer available for public funding for new starts, as stated in paragraph 521.



- 556.4. A change of Loan amount or the fee you charge. (Please refer to paragraph 557).
- 556.5. Cancellation of an application.
- 556.6. Withdrawal from the learning aim.
- 556.7. Taking a break from learning or suspending or resuming learning.
557. Only a learner can make a request to the SLC to change their personal details or to request an increase in their loan amount.
558. If the details or fees of the learning aim change you must produce another learning and funding information letter.
559. If a learner changes provider during the learning aim they must tell the SLC and be marked as a withdrawal with you. The learner will then need to reapply to the SLC for a Loan to continue their studies at the new provider.
- 559.1. Detailed information and guidance on managing changes of circumstance is on the [Learning Provider Services website](#).
- 559.2. Learners can get information and guidance from the [National Careers Service website](#), [GOV.UK](#) and impartial money advice from the [Money Advice Service](#) before, during or after taking out a Loan.

### **If the learner's circumstances change - offenders**

560. Undertaking learning in custody is likely to lead to more frequent changes in circumstances. The OLASS provider must tell the SLC when an offender's circumstances change (for example, if they are released from prison, transfer to another prison or change or withdraw from their learning aim).

#### **An existing learner is sent to prison**

561. If an individual undertaking an eligible learning aim financed through a Loan is sent to prison, they may be able to continue their studies while they are in custody. The individual will have to meet the eligibility criteria for offenders as set out above, including the prison governor's confirmation that the learning aim is appropriate.

#### **Changes in circumstances that affect eligibility for a Loan**

562. When the prison governor decides that an offender's eligibility for a Loan has changed (for example, if a further conviction makes the

learning aim inappropriate), or the offender's release date is extended beyond the maximum time period:

562.1. the offender must be withdrawn from their learning aim

562.2. the prison governor should tell the OLASS provider and

562.3. the provider should tell the SLC through the learning provider portal

563. The offender will still be liable for repaying Loan payments made before the withdrawal.

### Transfers between prisons

Guidance to prison governors advises them to avoid transferring offenders in Loan-funded learning where possible. The section below describes what happens when this is not possible.

564. There are times when an offender will be transferred between prisons in England. If the same OLASS provider operates in both prisons, the transfer will be treated as a 'Change to personal details' change of circumstance. The offender must tell the SLC about the change.

565. If the prisons have different OLASS providers:

565.1. the transfer will be treated as a withdrawal from the learning aim, using the process for those with compelling personal reasons

565.2. the OLASS provider must tell the SLC about the withdrawal through the Learning Provider Portal

565.3. , the offender must make a new Loan application if the OLASS provider in the prison the offender is transferred to can offer a comparable learning aim.

565.4. the prison governor at the receiving prison will need to confirm the offender's eligibility for a Loan

565.5. the OLASS provider in the prison the offender is transferred to must take account of the offender's prior attainment when setting the fee for the rest of the course

565.6. the two OLASS providers must work together to provide continuity of the offender's learning programme

566. If there is no comparable course offered by the provider in the receiving prison the offender withdraws from their Loan and remains liable for Loan payments made in respect of attendance on the course at the original prison. The offender may subsequently (for example on release) be able to apply for a further Loan (under compelling personal circumstances) to complete the original course.
567. If an offender with a Loan transfers from an English prison to a prison in Wales, they must leave their Loans-funded learning aim, using the process for those with compelling personal reasons.
568. Before the transfer, the prison governor should tell the provider, who must then tell the SLC through the Learning Provider Portal. If there is a comparable learning aim available in the prison in Wales, the offender may be able to complete the remainder of the learning aim (education at levels 3 and 4 remains publicly funded in Wales).
569. The offender will still be liable for repaying Loan payments made to the OLASS provider in England up to the point they leave their learning aim.
570. If an offender who has already started a Loans-eligible learning aim transfers from a prison in Wales to an English prison, they will need to apply for a Loan if they want to continue their studies. The OLASS provider should take account of the prior learning when setting the fee for the learning aim the Loan will fund.

The period leading up to release, and release itself

571. An offender may be released on temporary licence to commence learning aims at level 3 or 4 with a provider with a Loans facility from us. The intention is likely to be that this learning will continue post-release.
- 571.1. The offender must still meet the additional eligibility criteria set out in paragraph 535 with the Loan application made in the same way as those from offenders in custody and accompanied by an SLC Prisoner Application Proforma or a letter from the prison governor (or their representative) to confirm the information such as the offender's release date and their permission for the offender to study.
572. An offender who started a Loan-funded learning aim in custody and is released on temporary licence should be able to continue their studies with a provider with a Loans facility from us. If this involves a change of provider:
- 572.1. the offender must withdraw from their Loan-funded learning aim in custody, using the process for those with compelling personal reasons and apply for another Loan for their study with the new provider

- 572.2. the prison governor should tell the OLASS provider about the withdrawal
- 572.3. the OLASS provider must then tell the SLC through the learning provider portal and
- 572.4. the new provider should take account of the learning the offender completed in custody when setting the fee for the rest of the learning aim
- 573. An offender who started a Loan-funded learning aim towards the end of their sentence, should be able to continue their studies with an eligible provider who has a Loans facility from us on release. If this involves changing provider:
  - 573.1. the offender should withdraw from the learning aim, using the process for those with compelling personal reasons, and apply for another Loan with their new provider
  - 573.2. the prison governor should tell the OLASS provider about the withdrawal and the OLASS provider must tell the SLC about the withdrawal using the learning provider portal and
  - 573.3. the new provider should take account of the learning the offender completed in custody when setting the fee for the rest of the learning aim

## **Retrospective applications and changes**

- 574. A learner can apply for a Loan retrospectively (after the initial liability point but while still undertaking the learning aim). If a learner applies for a Loan retrospectively, and they have already paid fees to you, if the Loan application includes the period a fee had already been paid for, then you must refund the learner (in order to avoid double funding).
- 575. You, or the learner will be able to raise a Change of Circumstance retrospectively. This must be raised while the learner is undertaking their learning aim.
- 576. If a learner has a Loan for Access to Higher Education Diploma courses written off, payments to you will not be affected.

## **Reviewing provision**

- 577. We will review the volume of learning funded through Loans as part of our performance-management process.

578. For OLASS, the review process for each unit of procurement must incorporate a review of Loans-funded learners. In particular, where offenders have to transfer between prisons other than by choice, the review must consider the effect the transfer has on the learning the Loan is funding and the offender's liability to repay the Loan.

### **Evidence required**

- Learning Agreement (see paragraphs 130 to 136).
- Paragraph 545 - A completed 'learning and funding information letter' for each learner.

## 24+ Advanced Learning Loans Bursary Fund

We provide a loans bursary fund to help vulnerable and disadvantaged learners who are being funded through a Loan, such as those with learning difficulties or disabilities, parents who need help with childcare, and ex-military personnel.

The fund is not an entitlement, and you must decide how it will be distributed. The claiming and earnings methodology is different depending on whether you are funded through a grant or a contract, and this is detailed in the [Funding Rates and Formula document](#).

579. The Loans Bursary Fund will provide funding for the following.

579.1. Discretionary Learner Support (DLS) type funding for hardship, childcare and residential support. You must refer to the Discretionary Learner Support funding rules (paragraphs 487 to 502) when providing learner support from your Loans Bursary Fund. Grant-funded providers can move funds between their Loans Bursary Fund and DLS allocation without any limit.

579.2. Learning support type activity for 'in-learning' support, such as support for teaching assistants or reasonable adjustments under the Equality Act 2010.

579.3. You must make sure that you keep sufficient funding to provide the support referred to in paragraphs 579.1 and 579.2 and follow the learning support funding rules (see paragraphs 400 to 409) when you provide learning support from your loans bursary fund.

579.4. Your area costs, based on information in the ILR about where the learning takes place (as reported in the 'Delivery location postcode' field).

579.5. Learning support activity for learners in custody or released on temporary licence who get a Loan from the Student Loans Company (see paragraph 579.2).

580. You must:

580.1. prioritise vulnerable groups and disadvantaged learners

580.2. consider the most appropriate fund to draw from where a learner is receiving funding from us as well as through a Loan

580.3. use your Loans Bursary Fund only for learners who have had a Loan approved by the Student Loans Company, and who have an assessed need

581. When you are making decisions about awarding Loans Bursary funding, you must take into account the availability of other financial support for learners. You must make it clear to learners that it is their responsibility to tell the Department for Work and Pensions about any DLS support that they are receiving from you as the DLS payment may affect their eligibility for some benefits.

582. You must not:

582.1. use Loans Bursary funding to pay learners' fees related to learning

582.2. use Loans Bursary funding to cover costs and charges for items without which a learner could not complete their course, as these must be charged in the course fee

582.3. use the Loans Bursary Fund to support learners aged 16 to 18

582.4. use Loans Bursary funding to pay for learner support for learners in custody or released on temporary licence.

### **Evidence required**

- Learning Agreement (see paragraphs 130 to 136).

## Annex 1 - Eligibility for funding

The section on eligibility determines how eligibility to be funded can depend upon citizenship within the European Union or the European Economic Area (EEA). This Annex details which countries will meet the residency requirements detailed in paragraph 155.

### Countries or areas where residency establishes eligibility for our funding

#### a) Member states of the European Union

A list of member states is available on the [EU website](#).

#### b) Other territories categorised as being within the European Union

Other territories are categorised as being within the European Union for the purposes of the fees regulations; these are:

**Cyprus:** any Cypriot national living on any part of the island qualifies for EU residency and is considered an EU national

**Finland:** includes the Aland Islands

**France:** the French Overseas Department (DOMS) (Guadeloupe, Martinique, French Guiana (Guyana), Reunion and Saint-Pierre et Miquelon) is part of metropolitan France and is part of the EU

**Germany:** includes the former German Democratic Republic and the tax-free port of Heligoland

**Portugal:** Madeira and the Azores are part of the EU; Macau is not

**Spain:** the Balearic Islands, the Canary Islands, Ceuta and Melilla are part of the EU

**United Kingdom:** Gibraltar is part of the territory of the EU

To note: The Channel Islands and Isle of Man are part of the United Kingdom and Islands but not part of the EU

Andorra, Monaco, San Marino and the Vatican are not part of the EU



**c) EEA and eligible overseas dependent territories**

For funding eligibility purposes, this is defined as all member states of the EU and Iceland, Liechtenstein, Switzerland, Norway and all the eligible British overseas territories and EU overseas territories listed in paragraph d below).

Although Switzerland is not part of the formally recognised EEA, its nationals are eligible under various international treaties signed by the UK and Swiss governments.

**d) Eligible overseas territories of other British and EU member states**

Learners who are nationals of certain British overseas territories and of certain European overseas territories are eligible for funding, depending on the three-year rule on residence in the EEA. These are as follows:

Anguilla  
Bermuda  
British Antarctic Territory  
British Indian Ocean Territory  
British Virgin Islands  
Cayman Islands  
Falkland Islands  
Henderson Island  
Montserrat  
Pitcairn, Ducie and Oeno Islands  
South Georgia and the South Sandwich Isles  
St Helena and its dependencies  
Turks and Caicos Islands  
Greenland and Faroe Isles  
Antilles (Bonaire, Curacao, Saba, St Eustatius and St Maarten)  
Aruba  
New Caledonia and its dependencies  
French Polynesia  
Saint Barthélemy  
The Territory of Wallis and Futuna Islands  
Mayotte  
French Southern and Antarctic Territories

## Annex 2 – Apprenticeship alternative completion conditions

This annex contains the apprenticeship alternative completion conditions.

Apprenticeships alternative completion conditions – occupations and frameworks.

Specified occupation	Framework
Assistant to the camera crew Broadcast assistant Post-production assistant Post-production runner Production assistant Production runner	Creative and Digital Media (Advanced)
Technical illustrator Junior graphic designer	Design (Advanced)
Venue and stage crew	Live Events and Promotion (Advanced)
Venue and stage crew support	Live Events and Promotion (Intermediate)
Lighting technician	Technical Theatre (Advanced)
Lighting technician assistant	Technical Theatre (Intermediate)
Deckhand within the sea fishing industry Share fisherman within the sea fishing industry	Maritime Occupations

Apprenticeships - alternative completion conditions – list of exempt sports.

Aquatics (diving, swimming, synchronised swimming, water polo)	Golf	Skiing - freestyle
Archery	Gymnastics	Skiing – Nordic combined
Athletics	Handball	Skiing – ski jumping
Badminton	Hockey	Skiing - snowboarding
Baseball and softball	Ice hockey	Squash
Basketball	Ice sledge hockey	Table tennis
Biathlon	Judo	Taekwondo
Bobsleigh and skeleton	Luge	Tennis
Boccia	Modern pentathlon	Triathlon
Boxing	Netball	Volleyball

Bowls	Powerlifting	Weightlifting
Canoeing	Rowing	Wheelchair basketball
Curling	Sailing	Wheelchair curling
Cycling	Shooting	Wheelchair fencing
Equestrian	Sitting volleyball	Wheelchair tennis
Fencing	Snowsport	Wheelchair rugby
Football (five-a-side)	Skating (figure, short track, speed)	Women's football
Football (seven-a-side)	Skiing - alpine	Women's rugby union
Goalball (British Blind Sport)	Skiing – cross-country	Wrestling

## Glossary

<b>20+ Childcare</b>	Within Discretionary Learner Support, a category of support to assist learners aged over the age of 20 who are at risk of not starting learning or leaving learning due to issues in obtaining childcare.
<b>Achievement Funding</b>	The proportion of our funding which is held back to be paid to a provider on the achievement of a learning aim or framework.
<b>Advanced Apprenticeship</b>	A framework of qualifications where the main aim is at Level 3.
<b>Advanced Apprenticeship in Sporting Excellence (AASE)</b>	An apprenticeship in an agreed list of sports (see Annex 2), where alternative completion conditions apply.
<b>Alternative Completion Conditions</b>	Agreed circumstances in which individuals do not need to have an Apprenticeship Agreement.
<b>Apprenticeship Agreement</b>	An agreement between an employer and an apprentice in accordance with the Apprenticeships, Skills, Children and Learning (ASCL) Act 2009 sections 32 to 36.
<b>Apprenticeship Training Agency (ATA)</b>	An organisation whose main business is employing apprentices who are made available to employers for a fee.
<b>Apprenticeship vacancies</b>	A website for apprenticeship recruitment where new vacancies for apprenticeships must be advertised.
<b>Area Cost Uplift</b>	Area cost uplift reflects the higher cost of delivering provision in some parts of the country, such as London and the south east.
<b>Asylum Seeker</b>	Someone who has applied for asylum or appealed a negative asylum decision, and is waiting for a decision as to whether or not they are a refugee.
<b>Break in Learning</b>	When a learner is not continuing with their learning but has told you beforehand that they intend to resume their learning aim in the future.
<b>Care to Learn</b>	A Department for Education scheme to assist young parents under the age of 20 with the childcare costs that may form a barrier to them continuing in education.
<b>Civil Partner</b>	This is a person who is in a civil partnership as recognised by the state.

<b>Classroom learning</b>	Classroom learning is everything that is not workplace learning (including traineeships).
<b>Community Learning</b>	A range of community-based and outreach learning opportunities. These are primarily provided by local authorities and further education providers.
<b>De Minimis</b>	Under de minimis rules for State Aid, an enterprise must not receive more than €200,000 in financial support from public or publicly-funded sources in a rolling period of three financial years.
<b>Direct costs of learning</b>	Any costs for items without which it would be impossible for the learner to complete their learning aim. This can include the costs of registration, or materials that the learner needs for their learning
<b>Disadvantage Uplift</b>	Disadvantage uplift provides extra funding to support the most disadvantaged learners, recognising that they can be more costly to recruit and keep.
<b>Discretionary Learner Support</b>	A fund to enable providers to assist learners with a specific financial hardship that might prevent them from being able to complete their learning.
<b>Distance Learning</b>	Learning delivered away from the learner's main place of employment or place of learning.
<b>Due Diligence Assurance Gateway</b>	The process which providers must complete in order to apply to enter the Register of Training Organisations.
<b>Earnings Adjustment Statement (EAS)</b>	The form providers need to fill in to claim funding that can not be claimed through the Individualised Learning Record.
<b>Education Funding Agency</b>	The Education Funding Agency (EFA) is responsible for distributing funding for state education in England for 3- to 19-year-olds, as well as managing the estates of schools and colleges.
<b>EEA Citizen</b>	Under the funding rules, this is an individual who is a citizen of Iceland, Liechtenstein, Switzerland and Norway. We recognise that all EU citizens, including UK citizens, are EEA citizens. However, the smaller group of non-EU EEA citizens is defined separately.
<b>EHC Plan</b>	An EHC plan is the document which replaces Statements of Special Educational Needs and Learning Difficulties Assessments for children and young people with special educational needs. The local authority where the holder of such a plan lives, has the legal duty to 'secure' the educational provision specified in the EHC plan, that is, to ensure that the provision is delivered.

<b>Employed</b>	An individual who has a contract of employment. This does not include individuals who are self-employed.
<b>English for Speakers of Other Languages (ESOL)</b>	The study of English by speakers of other native languages.
<b>European Social Fund</b>	The European Social Fund (ESF) is a structural fund from the European Union. It improves the skills of the workforce and helps people who have difficulties finding work. The Skills Funding Agency is a co-financing organisation for the ESF.
<b>Exceptional Learning Support</b>	Learning support when the needs of the learner are over £19,000 in a single year.
<b>Ex-Military</b>	A learner who has left the British armed forces in the past 10 years after completing four or more years of service, or been medically discharged from the British armed forces due to an injury in active service, after completing basic training.
<b>Flexible Element</b>	Within a traineeship, the elements that sit alongside the core elements to form the qualification.
<b>Full level 2 qualification</b>	<p>The following qualifications are now designated full at level 2.</p> <ul style="list-style-type: none"> <li>• Five GCSEs A* - C.</li> <li>• Substantial Level 2 Vocational Qualifications (SL2VQ) when they become available in the 16 to 19 Performance Tables.</li> <li>• Qualifications and Credit Framework (QCF) qualifications at Level 2 which are 15 credits or more.</li> </ul>
<b>Full level 3 qualification</b>	<p>The following qualifications are now designated full at level 3.</p> <ul style="list-style-type: none"> <li>• Quality Assurance Agency for Higher Education (QAA) Access to Higher Education Diplomas.</li> <li>• Two A-levels.</li> <li>• Tech Levels which are in the 16 to 19 Performance Tables.</li> <li>• Qualifications and Credit Framework (QCF) qualifications at level 3 which are 30 credits or more.</li> </ul>

	<ul style="list-style-type: none"> <li>• Early Years Educator qualifications which are 30 credits or more or 300 guided learning hours or more.</li> </ul>
<b>Functional Skills</b>	A set of qualifications in English, mathematics and Information and Communications Technology (ICT) that are assessed at Entry Levels, level 1 and level 2.
<b>Grant Funded Providers</b>	Providers with a financial memorandum or conditions of funding (grant).
<b>Guided Learning Hours (GLH)</b>	<p>All times when a member of staff is present to give specific guidance towards the learning aim being studied on a programme. This includes lectures, tutorials and supervised study in, for example, open learning centres and learning workshops. It also includes time spent by staff assessing a learner's achievements.</p> <p>It does not include time spent by staff in the day-to-day marking of assignments or homework where the learner is not present. Neither does it include hours where supervision or assistance is of a general nature outside the study of the learners.</p>
<b>Hardship</b>	Within Discretionary Learner Support, a category of support to assist vulnerable and disadvantaged learners to remove barriers to education and training.
<b>High Needs Students (HNS)</b>	Those who need more support than normal to get access to, progress towards and successfully achieve their learning goals.
<b>Higher Apprenticeships</b>	A framework of qualifications where the main aim is at level 4 or above.
<b>Immigration Status</b>	The permissions, or otherwise, granted by the government of the United Kingdom for an individual to reside here.
<b>Individualised Learner Record (ILR)</b>	The primary data collection about further education and work-based learning in England. It is requested from learning providers in England's further education system. The data is used widely, most notably by the government to monitor policy implementation and the performance of the sector, and by organisations that allocate funding for further education.
<b>Information Advice and Guidance (IAG)</b>	Services available to learners to enable them to consider further learning opportunities, progression and career choices.
<b>Initial Liability Point</b>	When a student undertakes learning funded through a 24+ Advanced Learning Loan, the point at which a provider can confirm that the learner has started learning.

<b>Innovation Code</b>	A mechanism by which we support further education colleges and providers to draw down funding for programmes that meet a particular employer skills need whilst they are simultaneously developed for the Qualifications and Credits Framework.
<b>Intermediate Apprenticeship</b>	A framework of qualifications where the main aim is at level 2.
<b>Job Outcome Payments</b>	Payments made for learners who are unemployed at the start of learning who cease learning in order to take up a job.
<b>Large Employer</b>	An organisation who appears on the large employer list managed by the Data Service because they, their subsidiary or their parent company have cumulatively more than 1000 employees.
<b>Learning Agreement</b>	<p>A collection of documents and information brought together to form a single point of reference relating to the learning that is taking place.</p> <p>This provides us with the evidence to prove that the learner, for whom funding has been claimed, exists and is eligible for funding, and for the learning to be provided.</p>
<b>Learning aim reference number</b>	Each approved learning aim has a unique eight-digit code to help ease the search for a specific learning aim. This is a learning aim reference number.
<b>Learning aim reference service (LARS)</b>	An online tool that allows providers to look up qualification eligibility for funding and funding values.
<b>Learning Provider Portal</b>	A mechanism for providers to obtain and input information for loans-funded learners.
<b>Loans Bursary Fund</b>	A fund to provide Discretionary Learner Support-type assistance to learners who are funding their learning through a 24+ Advanced Learning Loan.
<b>Non-prescribed higher education (NPHE)</b>	This includes regulated qualifications at level 4 and above, offered by Ofqual-recognised awarding organisations. NPHE excludes first degrees, Foundation Degrees and Higher Nationals which are deemed <i>prescribed higher education</i> (PHE). In the main NPHE will be vocational in nature.
<b>Non-regulated provision</b>	Provision which is designed and delivered by a provider which is not accredited by an awarding organisation.



<b>Ordinarily resident</b>	For funding purposes, a person is ordinarily resident in a country if they normally live in the country, are allowed to live there by law, and return there after temporary trips outside the country. Temporary absences from a country due to the learner or a relevant family member working or travelling abroad would be discounted when considering ordinary residency.
<b>Overstayer</b>	A person who was granted limited leave to enter or remain in the United Kingdom, but who neither left the country on the date indicated nor asked for the leave to be extended. An overstayer is 'in breach of the immigration laws' and, as such, does not meet the residence requirement for naturalisation as set out in paragraph 1(2)(d) of Schedule 1 to the British Nationality Act 1981 (see Annex C to Chapter 18).
<b>Personal Learning Record (PLR)</b>	A database which allows individual learners access to their past and current achievement records. These can be shared with schools, colleges, further education training providers, universities or employers.
<b>Planned end date</b>	The date entered onto the individualised learner record (ILR) when the learner is expected to complete their learning.
<b>Prescribed higher education</b>	Any provision at level 4 or above which is classed as a first degree, Foundation Degree or Higher National.
<b>Prince's Trust Team Programme</b>	A 12-week personal development course, offering work experience, qualifications, practical skills, community projects and which includes a residential element, usually lasting a week. The 'teams' are funded by us but are run and managed locally by providers in partnership with the Prince's Trust.
<b>Prison Service Instruction</b>	There are a number of rules, regulations and guidelines by which prisons are run. These are outlined in Prison Service Instructions (PSIs). All Prison Service operating instructions are published as PSIs. They have a fixed expiry date.
<b>Provision subcontracting</b>	Provision subcontracting is when you subcontract the delivery of full programmes or frameworks. It is not subcontracting the delivery of a service as part of the delivery of a programme (for example, buying the delivery of a service as part of an apprenticeship framework or outreach support).

<b>Recognition of Prior Learning (RPL)</b>	<p>An assessment method that considers whether a learner can demonstrate that they can meet the requirements for a unit or qualification through knowledge, understanding or skills they already have and so do not need to develop through a course of learning (if the learner has not achieved a qualification to demonstrate this).</p> <p>RPL is a way of recognising learning that the person has achieved before starting a course leading to a formal qualification.</p>
<b>Register of Training Organisations</b>	A register which all lead providers intending to deliver education and vocations skills training services funded by the Skills Funding Agency must be on.
<b>Residential</b>	Support provided under Discretionary Learner Support to learners receiving specialist provision which involves a residential element, or to support learners who cannot receive provision locally.
<b>Self-Certification</b>	A process where the learner is able to confirm something through their own signature.
<b>Small or medium-sized enterprise (SME)</b>	The category of micro, small and medium-sized enterprises made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euros, and/or an annual balance sheet total not exceeding 43 million euros.
<b>Start of learning</b>	The date on which learning begins. We do not consider enrolment, induction, diagnostic assessment or prior assessment to be part of learning.
<b>State Benefits</b>	State Benefits are contributions, both financial and non-financial, made by the government to people in certain circumstances to meet their day-to-day living needs.
<b>Study Programme</b>	Study programmes are aimed at learners aged 16 to 19 and cover all levels up to level 3. Funding is for each learner, rather than for each qualification and can only have one core aim at a time.
<b>Subcontractor</b>	An organisation that is engaged in a contractual and legally binding arrangement with one or more lead providers.
<b>Tier 4 Visa</b>	A general student visa issued to students who are in the United Kingdom for the purposes of education.
<b>Traineeship</b>	A programme to help unemployed young people to develop the necessary skills and experience to progress to an apprenticeship or long-term work.

<b>UK Naric</b>	The national agency responsible for providing information, advice and expert opinion on qualifications worldwide.
<b>UK Provider Reference Number</b>	A number given to all providers by the UK Register of Learning Providers to enable them to be easily identified.
<b>Unique Learner Number</b>	A 10-digit number used to match a learner's achievement in to their Personal Learning Record (PLR).
<b>Vulnerable Student Bursary</b>	A bursary for 16 to 18-year-old learners undertaking a traineeship who fall under defined vulnerable groups.
<b>Work Placement</b>	A placement with an employer in a workplace setting as part of a traineeship.
<b>Work Programme</b>	A government programme operated by the Department for Work and Pensions aimed at getting long-term unemployed individuals into work.
<b>Workplace learning</b>	Any learning aim mainly delivered within a workplace and in connection with the employed learner's occupation or their employer's business, and any learning in an apprenticeship framework.
<b>Zero-hour contracts</b>	Contracts which do not specify a set number of hours for the employee.

## Abbreviations

AASE – Advanced Apprenticeship in Sporting Excellence  
 ACE – Apprenticeship Certificates England  
 AELP – Association of Employment and Learning Providers  
 AGE – Apprenticeship Grant for Employers  
 APL – Accreditation of Prior Learning  
 ATA – Apprenticeship Training Agency  
 AV – Apprenticeship vacancies  
 CDS – Central Delivery Service  
 CRC – Community Rehabilitation Company  
 DBS – Disclosure and Barring Service  
 DfE – Department for Education  
 DLS – Discretionary Learner Support  
 DWP – Department for Work and Pensions  
 EAS – Earnings Adjustment Statement  
 EC – European Commission  
 EEA – European Economic Area  
 EFA – Education Funding Agency  
 EHC – Education Health and Care Plan  
 ESA – Employment Support Allowance  
 ESF – European Social Fund

ESIF – European Social Investment Fund  
ESOL – English for Speakers of Other Languages  
FE – Further Education  
GCSE – General Certificate of Secondary Education  
GLH – Guided Learning Hours  
HE – Higher Education  
HNS – High Needs Student  
IAG – Information, Advice and Guidance  
ICT – Information and Communications Technology  
ILR – Individualised Learner Record  
JSA – Jobseeker’s Allowance  
LARS – Learning Aim Reference Service  
LDA – Learning Difficulty Assessment  
LEP – Local Enterprise Partnership  
LLDD – Learners with Learning Difficulties and/or Disabilities  
MoD – Ministry of Defence  
NEET – Not in Education, Employment or Training  
NGB – National Governing Body  
NOMS – National Offender Management Service  
OLASS – Offenders’ Learning and Skills Service  
QAA – Quality Assurance Agency  
PLR – Personal Learning Record  
PSI – Prison Service Instruction  
RoTL – Released on Temporary Licence  
RPL – Recognition of Prior Learning  
SASE – Specification of Apprenticeship Standards in England  
SLC – Student Loans Company  
SME – Small and Medium-Sized Enterprise  
TUC – Trades Union Congress  
UKPRN – UK Provider Reference Number  
UKRLP – UK Register of Learning Providers  
ULN – Unique Learner Number  
WRAG – Work Related Activity Group



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